S. HRG. 99-1016

A REVIEW OF FOREST SERVICE PLANS TO MANAGE NATIONAL FORESTS

HEARINGS

BEFORE A

SUBCOMMITTEE OF THE

COMMITTEE ON APPROPRIATIONS

UNITED STATES SENATE

NINETY-NINTH CONGRESS

SECOND SESSION

SPECIAL HEARINGS

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A REVIEW OF FOREST SERVICE PLANS TO MANAGE NATIONAL FORESTS PURSUANT TO NATIONAL FOREST MANAGEMENT ACT

THURSDAY, AUGUST 21, 1986

U.S. SENATE,
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES,
COMMITTEE ON APPROPRIATIONS,
Coeur d'Alene, ID.

The subcommitee met at 9 a.m., at the Coeur d'Alene Convention Center, Coeur d'Alene, ID, Hon. James A. McClure (chairman) presiding.

Present: Senator McClure.

Also present: Senator Steven D. Symms and Congressman Larry E. Craig.

NONDEPARTMENTAL WITNESSES

OPENING REMARKS OF SENATOR MC CLURE

Senator McCLURE. Good morning. This is the first of three field hearings of the Senate Appropriations Subcommittee on Interior and Related Agencies. Other field hearings will be held in Emmett and Grangeville on August 22.

The purpose of these hearings is to receive both oral and written testimony about the effects of the Forest Service's planning process on the economy of Idaho and dependent communities.

As chairman of this subcommittee, and as an Idahoan, I have long been concerned about the Forest Service land management and allocation decisions and how they affect the citizens of local communities—those who have little choice in the fact that they must depend on the national forest either directly or indirectly for their livelihood.

About 65 percent of Idaho's lands are controlled by the Federal Government, which makes us extremely dependent upon those lands. Unfortunately, public discussion of these issues has tended to be polarized, and it often overlooks the majority of people who get caught in the middle of these controversies. I hope that one of the byproducts of these hearings is to give people a better understanding of how important the role of Forest Service land management decisions are in their lives.

Education is a good example of that relationship. In Idaho, funding for education accounts for an average of about 70 percent of all State general accounting appropriations. This year it was 75 percent, a total of $451 million.

Most do not know, except in the most vague way, that another $8 to $10 million annually is returned to Idaho's counties as their part of the 25 percent of gross timber sale receipts. By law, 70 percent of those funds must be spent for county road construction and maintenance programs. The remaining 30 percent, about $2.5 million, is spent on school programs. That might not sound like much when compared to statewide spending on education, but in many specific counties and school districts it amounts to a very significant amount of money for schools. And it also has an effect upon every other school district in the State in the amount of money that's available to them because of the interaction between that amount of funding and the equalization formula and fund from the State level.

We'll be hearing today from some of those administrators and elected officials who represent that vast number of our citizens who tend to be ignored by those whose objective is simply to permanently halt the commodity uses of the national forests.

Senator Symms, Congressman Craig, and I were glad to hear that, and I will repeat that, glad to hear that Assistant Secretary of Agriculture, Peter Myers, had placed a hold on Idaho's forest plans back in May, and I emphasize that because there's been some suggestion that somehow he had done our bidding in making that decision, and while I'm gratified by the decision and I discussed the problems before I had heard about it, after it was done, not before. Millions of dollars are being spent to develop the current round of plans, yet little attention has been paid to their economic impact on local communities.

I want to make it clear at the outset the intent of these hearings. This is not a hearing to decide whether we should have more wilderness or less wilderness. Those issues have been staked out by the various points of view many times before. This hearing is to develop facts—facts to let us know how Forest Service land management decisions affect local dependent communities and we need to know whether or not the Forest Service is doing a good job in determining what the local economic impact is.

In looking over the witness list, it appears that we will be hearing from a good cross section of community concerns. There have been a number of accusations that the testimony here at this hearing has been slanted on the commodity interest side. I'd like to point out that this hearing is intended to gather testimony about the effects of the Forest Service planning and process on the local communities. I think the list of those testifying will show that we've achieved that goal. Virtually every segment of the affected Idaho public will be represented, including four representatives of the environmental organizations, four representatives from the timber industry, representatives from county commissioners, school district superintendents, road department administrators, community involvement groups, Indian tribes, chambers of commerce, and mayors of our cities.

I know that there are many others whose names are not on the list to present oral testimony who would like to be heard. The subcommittee will accept written statements for the record until the close of business on Friday, August 29. Statements should be mailed to me in care of the Interior Appropriations Subcommittee, 361 Dirksen Senate Office Building, Washington, DC 20510, and anyone that needs that address if they'll approach the stand, we'll make sure that you have it correct.

So that everyone scheduled to testify can be heard, the members of panels today will have 5 minutes for their oral presentation. And I want to stress that since we do have a great number of people, that we do have a timer, and we are going to limit your oral presentation to 5 minutes. Following the presentations of all members of the panel, Senator Symms, Congressman Craig, and I will ask any questions that we may have. However, due to the limited time that we have and the number of witnesses we have, I hope that my colleagues will join with me in a sincere attempt to adhere to our schedule.

Panel members—those who are testifying—should bring a copy of their statement to the table on my left. Hold up your hand, Don, so they can see where you are. If you haven't filed your statement already, bring it with you when you come up to testify and leave it at that table.

Having been involved in this issue for many years, I know that the emotions are likely to run very deep. I hope that we will all in this room try to contain those emotions. We do not register on the applause meter, so the noise for or against, interruptions of applause or hisses or boos as you might feel moved to do don't really make any difference in the written record, and I hope people will restrain themselves from trying to express their opinion in that manner.

Senator Symms and Congressman Craig have both requested the opportunity to make an opening statement today, and I am going to yield to them for that purpose. Before doing so, however, let me say that Governor Evans had indicated last week that he would not be able to attend the hearing but would submit testimony for the record. If a representative of his office is present, we will certainly welcome their participation by presenting an oral statement today. With that, let me yield first to my junior colleague in the Senate, Senator Symms.

Senator SYMMS. Senator McClure, thank you very much for calling this hearing of your appropriations subcommittee to give the citizens of our State an opportunity to make their views known on the forest plans and what the impact will be on the economy. I would just also like to thank you for the invitation to participate in the hearings and say to the audience at the outset that I will be here until about noon and then at that point I'm going to be required to go to your hometown, Payette——

Senator MCCLURE. What do you mean "required"?

Senator SYMMS. I have another——

Senator MCCLURE. That's a privilege.

Senator SYMMS. That's a privilege, right. You should tell the audience what Payette means in Indian.

But you are to be commended for calling the hearing, and I thank you for it. I think that these hearings are going to have a direct bearing on the social and economic development of our State during the next 10 years. That may sound like somewhat of an overstated statement, but I do believe these hearings are important and I'll say why. No. 1, 38 percent of Idaho's land is managed by the Forest Service. This Federal land furnishes about 1 million animal units months of grazing, 700 million board feet of timber, 40 percent of our total timber harvest and nearly one-half of our Federal land grazing. Idaho's national forests provide more than 10 million visitor days of recreation each year. The statistics aren't available to calculate the percentage of total outdoor recreation, but it is very significant over all the State, both to the individual recreationist and to the recreation industry. Our fourth major industry, mining, is also partly dependent upon the national forests for raw materials.

Now, I don't want to take too much time to recite these statistics, but I do want to emphasize the importance to Idaho's economy of the National Forest System which lies within our boundaries.

Our task at these hearings is to review the progress of the forest plan planning process. I have the feeling that the planning has become too cumbersome and too complex. It seems to have become more of an objective than a process. Several years ago I was told the forest plans cost of the average $2.5 million. That was before it became clear that almost every forest plan could be appealed, which adds immensely to the cost.

More recently the Forest Service has put an average plan cost of somewhere between $600,000 and $1 million, and I assume that the latter estimate is more accurate. In either case, the problem is illustrated by the Forest Service trying to follow the complex, sometimes contradictory directives that the Congress has given them and anticipate the Mickey Mouse appeals from the environementalist groups is tapped in an unending cycle of planning, and I sympathize with the frustration that the professional resource managers must be feeling. It may be time for some basic changes in the legislation which mandates the Forest Service plans. In a way, that's going to be somewhat irrelevant for the short term, because it's probably not possible to change those rules in time to influence the planning cycle. Instead, we need to make sure that some progress is being made and the progress is taking us on the right road. In other words, what I'm saying is, we need the right emphasis on the laws that the Congress has passed with a commonsense application of what the intent of Congress was when the laws were passed for the good, sound, basic multiple use of these resources for the benefit of all concerned.

My concern is, Jim, that these plans will not lead to the best management and utilization of the resources of the national forests. As an example, the timber harvest projections, as I see, show the Forest Service preferred alternatives will result in an annual shortfall of 225 million board feet if the present harvest levels are maintained. In contrast, the Forest Service high commodity output alternative would, with the estimated production from other ownerships, provide enough wood for the industry's needs. Without this production, an estimated 2,000 jobs are going to be lost. Now, I think 2,000 jobs in our economy in Idaho is a significant and important factor to the environment of the State of Idaho and cannot be lost in our view of what it is we are trying to accomplish, because without 2,000 jobs somebody's environment is going to be hurt drastically.

Unfortunately, the Forest Service projections are based on harvesting about 26 percent of the needed wood from roadless areas, and I don't think anyone expects this to happen. I'm sure the other resource allocations are also open to question, and I'm concerned about the apparent Forest Service direction to close many miles of trails to trail bike use. Stockmen are alarmed about the preceived change in livestock fencing policy. The majority of Idahoans do not see the reason for creating another million acres of wilderness as the forest plans direct. The wilderness direction and other access in development restraints are certainly a concern to the mining industry. Now I don't mean to say this to sound critical of the Forest Service overall, and I don't mean to make any personal criticism, there are many good people in the agency who are trying their best to come up with plans that will meet the economic needs of the community and consider those needs.

Mr. Chairman, I've heard this speech as recently as last week on the Senate floor about the importance of community stability to be considered in these forest plans, and I think that that's what we want to do. I want to encourage and support those people within the Forest Service who are willing to go to bat to determine how we can work this out within these communities in Idaho within the industry and the people that live and work in the communities to provide the jobs that are necessary and also protect the resource base so that this forest can sustain us for centuries to come. I thank you for holding these hearings, and I look forward to hearing from all the witnesses. I can be here with you today, and I'll see you again, I think tomorrow in Emmett where we'll have a second chapter of these hearings.

Senator McClure. Thank you very much. I'll hand the microphone to Congressman Craig.

Mr. Craig. Thank you very much, Senator McClure and Senator Symms. A special thanks to you, Senator McClure, for holding these hearings across the State to address the national forest plans currently being devised that will direcly affect the economy and future of our State. You and Senator Symms have already mentioned the concern expressed by many of us relating to the impact these plans will have.

Three major documents will be produced as a result of the forest planning process: the environmental impact statement, a forest plan, and a record of decision. These three documents ultimately will make up the 10-year forest plan that will determine the use of the forested public lands of our State. It is that which concerns us the most; the 10-year cycle; the process involved; how it will affect the economy of the State; how it designates and prioritizes land use on these public lands, the forested lands we are dealing with specifically here today, and the ramifications involved with all of that.

We are eager to hear your testimony. We hope you will direct it not only to the immediate, but the long-term impact on our State's communities, addressing how these public lands can best be utilized as to timber, grazing, wildlife habitat, watersheds, recreation, and all the Forest Service bylaw is required to provide.

Again, Senator McClure, thank you for holding these hearings. I look forward to my participation.

Senator McClure. Thank you very much, Larry.

Our procedure to be followed in addition to what I've already said about dropping off a statement if you haven't already handed it to the staff, we are going to try to ask the panels who will be on deck to move close to the bottom of the steps so that they can move up very quickly when their turn comes. For that reason, I will announce, as a panel comes up, who is in the next panel.

The first panel is Tim Mueller of the St. Joe Valley Association, Arden Marshall of Idaho Women in Timber from St. Maries, Ray Hilding, retired forest supervisor, and Jack Buell, Benewah County Commissioner. If you people will come up and take your seats.

STATEMENTS OF:

TIM MUELLER, ST. JOE VALLEY ASSOCIATION

ARDEN MARSHALL, IDAHO WOMEN IN TIMBER

RAY HILDING, RETIRED FOREST SUPERVISOR, COEUR D'ALENE NATIONAL FOREST

JACK A. BUELL, BENEWAH COUNTY COMMISSIONER

DOLLY HARTMAN, VICE PRESIDENT, ST. JOE VALLEY ASSOCIATION

KAREN HINSON, COEUR D'ALENE/POST FALLS CHAPTER, IDAHO WOMEN IN TIMBER

DICK McEWAN

Senator McClure. While those persons are coming up, the next panel will please move close to the stairs so they can move up quickly. Those will be Tom Richards, Larry Isenberg, Mike Boeck, and Richard Hitchcock.

You will notice on the table in front of you a little brown box. That little brown box has on it a green light and a red light. As you might guess, green means go and red means stop.

The first witness, Tim Mueller.

Mr. Mueller. Thank you, Mr. Chairman.

In reference to the light, all of the panel members will not be taking their full time, and some will not speak at all. So, I will take a little longer because I am going to make some introductions.

[Clerk's Note.—Due to a mechanical failure, Mr. Tim Mueller's statement was not included.]

Mr. Mueller. Thank you, and I will respond to questions. And I will pass the microphone to Dolly.

STATEMENT OF DOLLY HARTMAN

Ms. Hartman. I am Dolly Hartman, St. Maries, ID, vice president of the St. Joe Valley Association and more recently community involvement coordinator for forest planning in our area.

Welcome and thank you for bringing the congressional appropriations process to the grassroots level of north Idaho. Far too long those of us most affected by vital resource decisions made in Washington have been deprived of opportunity to personnally impact congressional decisions on natural resource allocation of funds. Community stability, school funding, basic services, and individuals have increasingly become victims of high-powered environmental lobbyists in Washington, DC, who are far removed from those individuals and communities who depend upon access to natural resources for their very survival.

We have used the only means of letting our needs be known by extensive grassroots involvement in the forest planning process.

The folks from the St. Joe River drainage provide over one-half the input into the Idaho panhandle forest planning process and a majority into the Clearwater National Forest plan. They continued their involvement by participating in the representative Areawide Extended Public Involvement Group meeting in Coeur d'Alene the spring of 1986.

Please enter the following documentation of public involvement to the record. This good faith intent and effort cannot and must not be ignored either by Congress or the U.S. Forest Service. Please utilize these expressions from folks back home to put the forests back to work again.

(1) Letter from superintendent of schools, Gary Barton.

(2) Documents: Payments to counties 1985; Idaho's timber supply and impacts.

(3) A large representative portion of public input generated on the forest planning process on both IPNAF and Clearwater NF.

(4) Attendance rosters from open house and public input meetings held at: St. Maries, Wallace-Kellogg, Coeur d'Alene, Moscow, Sandpoint, and Bonners Ferry in Idaho; and Spokane, WA.

(5) Findings and issues from the Areawide Extended Involvement Group meeting early 1986 in Coeur d'Alena.

All input generated during the past year and in which I was directly involved. Thank you for this rare privilege and do come again!

Senator McClure. Thank you.

Tim said at the outset you were going to testify as a panel and allocate the time unequally among your members. I might point out that you have now consumed one-half the time for the panel.

Karen Hinson.

STATEMENT OF KAREN HINSON

Ms. Hinson. I am here on behalf of the Coeur d'Alene/Post Falls chapter of Idaho Women in Timber. Idaho Women in Timber is a nonprofit organization of men and women whose personal or family income is derived from the forest products industry. Our organization consists of secretaries, office workers, loggers, foresters, retirees, and housewives. We appreciate this opportunity to comment on the economic impacts of the national forest plans.

There will be many testifying today that will tell you how the Forest Service has reduced timber harvesting from historic levels; how, with two-thirds of the commercial forest land in Idaho, the draft plans would provide only 38 percent of the timber needed just to maintain Idado's current timber industry. This will be expressed in terms of figures: Millions of board feet; dollars to mills, taxes and counties; and employment data.

Idaho Women in Timber would like you to go beyond those figures and consider the human element. In this part of the country, timber means jobs. And jobs are not just a source of income that can be easily replaced. Timber jobs are a traditional way of life. To some they are a link with family history. Timber jobs have a certain quality of life, and satisfaction in the job, that cannot be easily replaced.

Timber jobs are also sources of food, clothing, shelter, and education—things many of us take for granted. However, loss of jobs, so easily expressed in simple numbers, do not have simple impacts. Consider a survey of an Oregon timber community suffering from unemployment due to lack of adequate timber supplies. Dr. Flanagan, a counselor for unemployed mill workers in Douglas County observed that:

> The Family Service Clinic staff saw 316 patients whose severe depression was either directly related to their unemployment or where unemployment was a significant factor in their depression. Of those 316 patients, 253—approximately 80 percent—were suicidal. Many of the 316 patients mentioned above, besides exhibiting symptoms of depression also manifested symptoms of alcohol abuse which had begun occurring in flagrant fashion after they had become unemployed.

The impact of umemployment affects not only the unemployed, but their whole family, often leading to the disintegration of the family. From the same Oregon community, according to the school superintendent, Jame Kohl:

> Students from families where the primary breadwinner is unemployed suffer psychologically and occasionally, physically. General attitudes of despair and desparation in the home are reflected in the classroom in terms of behavior problems and poor academic performance. Poor classroom performance can also be tied to poor nutrition that can result if there isn't adequate income to purchase proper food in the proper amount.

The fact is that, like Douglas County, OR, many of Idaho's communities are dependent upon the national forests for our jobs, our lifestyles, our peace of mind. Idaho Women in Timber is concerned about the potential impacts of the forest plans on employment, receipts to county schools and roads, and on our communities in general. We feel that amongst the abundant timber found on national forest lands, surely there is enough for the Forest Service to meet their fair share of the timber supply. It is essential for an historic, traditional, and vital way of life for many people.

Than you for listening to our comments.

Senator McCLURE. Thank you very much.

Mr. McEwan.

[CLERK'S NOTE.—Due to a mechanical failure, Mr. Dick McEwan's statement was not included.]

Senator McCLURE. Thank you.

Mr. Hilding.

STATEMENT OF RAY HILDING

Mr. HILDING. My name is Ray Hilding. I retired as forest supervisor at the Coeur d'Alene National Forest. During my career, I spent 9 years as forest supervisor of the St. Joe National Forest and prior to that was a staff officer on the Nez Perce National Forest in charge of timber recreation and lands activities.

I do not represent any group, industry, wilderness, or otherwise. The views expressed in this statement are my own.

First, I want to commend Senator McClure for scheduling this hearing on the critical issues affecting the livelihood of the people in timber-dependent communities in north Idaho. I requested permission to testify because of my great interest in the subject of this hearing.

When I retired in 1972, during an interview with the Coeur d'Alene Press, I stated that one of my main concerns throughout my forestry career has been the development and sound growth of small communities and rural areas. Progress in this development has been slow. Furthermore, the lack of recognition and financing for national forest commercial forest areas is a big problem; and that I would like to see funding to increase forest productivity to help increase timber availability for the north Idaho lumbering industries. Prior to this statement, I told the press that attitudes and uses of the forest have changed a great deal since my career started in the woods—that major changes have developed because of the increase in recreational activities.

Now, I would like to discuss the proposed forest plan for the Panhandle National Forest and some action taken by a President and the Congress on timber supply and dependent industries.

I have a Spokesman-Review newsclipping in which Secretary of Agriculture Freeman announced in 1962 that the timber cut in the Western States would be hiked. He gave the annual cutting rates for each national forest which included the Kaniksu, Coeur d'Alene, and St. Joe National Forests. He said the attainment of the announced rates is heavily dependent on an expanded timber access program recommended by President Kennedy in July 1962.

Each national forest for a few years had to submit a report to the Chief of the Forest Service annually on the accomplishments toward reaching the cutting goals. I understood that the Chief had to submit his report to a congressional committee for their review. I mentioned this in the event that such monitoring would be feasible for congressional committee today.

In the 1960's many hundred of miles of needed access roads were constructed to gain access to overmature stands to meet the allowable cut goals. During this period, 1960–70, the volume of timber sold and cut increased significantly, but starting in approximately 1971, the sold volume dropped below the annual allowable cut rates and was still below in 1979. I am unaware of the situation after this date. This explanation only refers to this region, region 1.

Much concern has been expressed over the large uncut volumes under contract. No one can accurately predict what will happen in the future but past experience indicates that a 3- to 5-year period of high demand reduces uncut volumes in a hurry.

The Area Redevelopment Program began about the same time that President Kennedy and Secretaty Freeman launched their stepped-up timber cutting program. This redevelopment program led to the construction of the St. Maries Plywood Mill to replace the large sawmill which burned down in 1962. Availability of timber for the plywood mill was made possible by the timber access road programs which opened up new areas of overmature timber on the Avery and Red Ives Ranger Districts. The building of the St. Maries plywood plant was partly financed by a large loan from the Federal Government under the Area Development Program. The Small Business Administration spent months studying the feasibility aspects of a loan, particularly the timber supply availability on Forest Service lands. The continued operation of this firm is closely tied to the 1962 allowable cut of 100 million board feet per year from the St. Joe National Forest.

Maintaining consistent annual allowable cutting rates for national forest commercial forest areas is of vital importance to the timber industry and dependent communities. The allowable cuts are calculated from inventories taken of the timber stands throughout the forest. Measurements of growth, age, stocking, site quality, and other factors are recorded. The job requires skilled, professional foresters, preferably with forest experiment station experience, who have been working with stand examinations and inventories. The reinventory work is long overdue.

A reinventory of the St. Joe and Coeur d'Alene forests was to have been made in 1972 and 1982, or at 10-year intervals. The timber management plan would be revised to reflect the results of the inventories. The work was not done, so 25 years have passed without revision. Significant improvement has been made by the forest industry in the utilization of timber. The effect of this progress would be to increase allowable annual cuts.

Adjustment of annual allowable cuts can be made during any 10-year period. For example, if the forest cut averages only 80 million board feet per year for the first 5 years and the annual allowable cut is 100 million, then a cut of 120 million board feet is permitted each year for the next 5 years. I understand this provision is still in effect. It should be noted in the Panhandle forest plan.

The next subject deals with national forest commercial forest land or land suitable for the growing of commercial timber. I will use the St. Joe National Forest data but the same results would be comparable to the Kaniksu and the Coeur d'Alene National Forests. The St. Joe National Forest has a total forest acreage of approximately 863,000 acres. Of this total, only 48,000 acres is considered noncommercial forest leaving 815,000 acres of land suitable for growing timber or 94 percent of all the St. Joe forest lands. These acreages were compiled by the regional office on July 1, 1970. The annual allowable cut of 100 million board feet is derived from this 815,000 acres. If, say, a wilderness area is proposed totaling 150,000 acres and 80,000 acres is set aside for an elk refuge, and a total of 30,000 acres for other purposes, you would have a total of 260,000 acres declared out-of-bounds for the production and harvesting of timber.

You might subtract 30,000 acres for noncommercial but there is only a total of 48,000 acres on the entire forest. If you take the net acreage of 230,000 acres from the total of 815,000 acres on the forest, you would end up with 585,000 acres for your annual allowable cut base. This represents a reduction of 28 percent. One could assume it would probably drop the annual allowable cut by 25 percent. Instead of the industry and timber-dependent communities getting 100 million board feet for their mills, they would get 75 million board feet. It could mean a plant going out of business because of the elk and wilderness business. The figures used above are only to illustrate the problem. However, the plan should state the exact acreage which would be removed from the timber base.

In summary, I would have to see extensive modifications to the Panhandle National Forests plan before it would be acceptable to me. In reading the April 1985 overview of the proposed forest plan, one has the feeling he is reviewing an elk management plan with other animals like the grizzly bear and caribou being given secondary emphasis.

The Mallard-Larkins Wilderness Area proposal has little to offer for recreation use over other multiple-use lands. The 30,000 acre pioneer area is the real jewel in the area. This wilderness proposal should be eliminated and the 30,000 acre pioneer area retained. The north Idaho people have generally opposed wilderness areas because of the lumbering economy but the flood of support from outside the State resulted in the proposed classification. No political candidate in north Idaho runs around telling people that he seriously supports more wilderness.

One is definitely left with the impression that the timber industry is secondary to the wildlife business in north Idaho, or that the timber industry is dead or dying, and that the forest plan must reflect this trend. Economic benefits and people employment is certainly not in the minds of the planners. In other words, "this is your problem, not mine."

It is apparent that the overall guidelines for forest planning are coming from the office of the Chief of the U.S. Forest Service. I am somewhat surprised that the current administration in Washington, DC, is not trying to moderate the turnaround which occurred in the management of the national forests during the Carter-Cutler years.

Senator McClure. Thank you very much, Ray.

Although the entire time for the panel is consumed, I am not going to cut Jack off.

Mr. Buell. I will just answer any questions.

Senator McClure. Thank you all very much. I certainly don't want to cut you off if you have a statement to make.

Steve?

Senator Symms. I just wanted to get this just straight in my head, Tim, when you spoke of the allowance cut, you are talking about the entire Panhandle Forest?

Senator McClure. Yes.

Senator Symms. Did you say 225 million feet?

Mr. Mueller. No; the present recommended level of harvest in the draft plan is 275 million board feet. That is down from 295 to 300 million feet that they were harvesting from 1976 to 1980.

Senator Symms. How about 1981 to 1984?

Mr. Mueller. I don't have those figures.

Senator Symms. From 1976 to 1980 we harvested about 300 million?

Mr. Mueller. From what I have been told, from 295 to 300 million.

Senator Symms. And just one other question. The projections for the new plan of 275, which means at least 1 million has got to be squeezed out, but that puts you in a position where the private enterprise wood processors are bidding against each other for a scarce supply and makes you less competitive with Canada than we are now?

Mr. Mueller. That's correct, Senator. And therein lies the problems we have competing with the Canadian industry. We can pass countervailing duties and do all those things that we are doing that are very important, but as I said in my testimony, don't enter the roadless areas on the Panhandle plan. And we have six mills in Benewah County alone that draw directly from the Panhandle, and we lose 75 million board feet, 25 by plan date and 50 because we can't enter the roadless areas, we not only eventually will lose two or three sawmills of the six; meanwhile we will make the rest of them very unhealthy because we will be bidding ferociously for what timber is left, thereby, we can't compete.

Senator SYMMS. In your opinion, and I just ask each one of you this just very briefly to get an answer, how much volume of timber could be sold without doing damage to the environment and keep it on a sustained yield recoverable so it's replenishing what's being taken out of the forest in the Panhandle where the plan calls for 275; what could it be and not do any damage if we lived in a perfect world, if we didn't have all the Mickey Mouse lawsuits and everything?

Mr. MUELLER. Steve, in the opinion of the St. Joe Valley Association and the people that worked on this, we have recommended levels of 300 to 350 million.

Senator SYMMS. With no damage?

Mr. MUELLER. With no damage.

Senator SYMMS. Do you agree with that, Ray?

Mr. HILDING. I was going to cover this. But actually in figuring annual allowance cuts, this is a process where the people are doing the work have got to go out, they've got to measure, get prompt data, stand examination, cite quality, age, growth and a lot of factors. And it may take 1 to 2 years to actually compute this allowance cut. So, you can't randomly say that you can raise the cutting or lower it. Actually, Steve, it's a rather complicated process to determine because the Forest Service and the industry has to live this figure, but the Forest Service particularly has to assure that they can cut this year after year after year, this same amount. So, the Forest Service, the last inventory that was made was 1962, and they were supposed to reinventory in 1972 and then reinventory in 1982, but that was not done. So, you are looking at about a 25-year lapse in an inventory to establish annual allowance cut figures. So, I just can't give you a figure, although I do know this, and that is, that this is a chart line for region 1 and that this timber sold since 1970 has consistently been quite a ways below the annual allowance cut and also the cut down here. But since 1970 in this region there's quite a gap between what is being sold and what should be.

Senator SYMMS. You don't think 3 million is out of line?

Mr. HILDING. I don't think it's out of line, no.

Senator SYMMS. Jack, do you think 300 million is easy to handle?

Mr. BUELL. They were talking about 325. The Forest Service's own plan that they drew up stated that the Panhandle is now growing 420 million board feet per year. So, by being able to enter if this wilderness area is resolved and be able to enter into the roadless area and start managing your timber sites in these areas, 325 million is a real reasonable figure.

Senator SYMMS. You all agree with that then.

Senator MCCLURE. Larry.

Mr. CRAIG. Thank you all very much for your testimony.

With the allowance cut figures that are projected into the current draft plan, based on current levels of activity of physical plant capability, what would the scenario be in Benewah County? How many mills lost?

Mr. BUELL. You mean if the cut's cut back, or at 325?

Mr. CRAIG. If the cut that is proposed in the current draft plan would become reality——

Mr. BUELL. I would say at least one, maybe two mills.

Mr. CRAIG. At least two mills?

Mr. BUELL. Yes.

Mr. CRAIG. Now, we are assuming that allowable cut is actual cut is actual cut. What is the history of that in the capabilities of the Forest Service to provide actual cuts versus what is programmed allowable cut? Can any of you respond to that?

Mr. MUELLER. Congressman, of course when you address that question, you get into the question of budgets.

Mr. CRAIG. Of course. That's why I addressed it. I wanted to know if you had an historical pattern of what they said they could do versus what they actually could do?

Mr. MUELLER. They've never followed that.

Mr. CRAIG. How much have they missed it on an annual basis?

Mr. MUELLER. That I can't tell you. But it's tens of millions of board feet in the region. Ten years ago we experienced in region 1, which is Montana, northern Idaho, a cut of approximately 1.2 to 1.3 billion.

Congressman, we presently are budgeted for somewhere around the 900 million figure, far below the potential of what you might refer to as the programmed harvest. But the problem, Senator McClure, that's being discussed now is that the Forest Service in even selling 900 million is not selling green, merchantable sawtimber. There is a couple hundred million feet of pulp and other timber that they are charging to the timber sale budget that is included in that 900 million.

Mr. CRAIG. The bottom line does include total green, merchantable timber?

Mr. MUELLER. Right.

Mr. CRAIG. The reason I asked that question is that if you are suggesting that proposed plans would result in the loss of one, possibly two mills, then actual cut could bring that figure to an additional mill.

Mr. MUELLER. Yes.

Mr. CRAIG. My figures indicate that would be a possibility. Would you agree with that statement?

Mr. MUELLER. Yes.

Mr. HILDING. Does the forest plan actually give you the net commercial forest acreage that is available from which to calculate the allowable annual cut? This is the point. I haven't been able to see that. On the Joe you've got 615,000 acres of commercial forest land, and that is using formulas and so forth; that's the basis for computing the annual allowable cut. So that has to be a firm figure. In other words, that is taking out the noncommercial area and so forth. So, until you get a figure for the Panhandle from which they are going to base their allowable annual cut on, you can't say what it is.

Mr. CRAIG. Thank you all very much for your testimony. I think what you say demonstrates the dramatic and critical nature of these plans. That's why we are here. We appreciate hearing from you.

Senator McCLURE. Thank you, Congressman.

One of the difficulties we have in making comparisons is that the terminology has changed. I don't know if that's by accident or if it's by design, but we don't talk in the same terms and, therefore, it's hard to make direct comparisons. We used to talk about annual sustained yield over a long period of time and annual allowable cut. That terminology is now discarded, and we are using new terms in the development of the new plans. We are talking about annual sales quantity which is not quite directly comparable to any classifications before. But where we really come down to the major difference in the new plans as compared to the old. We used to talk about the categories of commercial forest lands, and they were not in the following classes, standard, special, and marginal categories that made up the baselands for sustained yield harvest. We don't do that anymore. We talk about suitable acres. And that's, I believe, a subjective evaluation after considering all the factors; the forest supervisor comes up with these acres as suitable for timber harvest, and these acres are not, and the suitability test is less a scientific test and more a political test than it used to be. Therefore, there's a great deal more subjective evaluation in the conflicts between different kinds of use priorities. If you look at that, then you get on the Panhandle, we had before in the standard classifications for forest harvest 1,980,000 acres, and in the new Panhandle forest land, 1,522,000 acres. So, there is something else that bothers me, and you all touched on it, and that is that the annual sustained yield which is governed by how much is growing in the forest on acres that you are permitted to enter has been replaced by a suitable acres designation which then ratchets down from the other because lands have been removed from suitable acres.

You said the old allowable cut figure was a feeling. You never got to the annual allowance cut because it was dependent upon how much sales activity was financed. The sales activity that's financed really affects a period of years, not a single year, because you are planning for sales in the future. So, there is not only the finance sales program which has usually been below the sustained yield target to an actual offered annual harvest. How much did they actually offer? And then you get another figure which is yet lower than that which is the annual harvest. Each one of those test produces a lower volume of timber moving to market.

Now, the new suitable acres designation has lowered the ceiling, but that isn't what you will actually cut. That's the target that's established as sustained yield targets, were established and which you never attained. So, you will never attain this one either for a variety of reasons. You will have to go through the finance sales program that has to be at or below that ceiling, you have to have an actual offered program which is at or below that which is financed, and you will have an actual cut which is, as a matter of fact, below the actual offer. So, in each one of those areas you are going to get a reduction. And I don't think you are going to see the kind of thing that reflects itself in saying, all right, on the Panhandle you will have 76 percent as many acres. You won't get 76 percent as much cut by any stretch of the imagination. You will not have a comparison between 290 million board feet to 270 million board feet. You will have a figure which is much lower than that. And that's just starting out.

Now you mentioned I think, Tim, you did and Dolly did, the necessity for having a legislative determination of wilderness acres. Now you know that's not the whole battle because once the wilderness areas are designated, you still have forest management plans that will include within them roadless area management for the first timber planned cycle. You will have within those restrictive areas of management for purposes other than timber harvest. And so even if the wilderness bill were to pass and to settle that part of the issue, you have all the rest of the issues all of which tend to limit timber harvest.

I'm not telling you what the right answer to all that is or how indeed we balance those things. But if you settle the wilderness, you've only settled a part. And because of the change in the terminology and the process of moving through planning into actual harvest, you are going to see a harvest on the Panhandle for less than the 270 million board feet that you see presented to you.

Now, what are the economic impacts of that? You are not talking about one or two mills, Jack, and you are not talking about three, Larry. You are talking about something much more drastic than that in my opinion. And that's why, as I saw these forest plans being presented to us one by one and I saw the same pattern developing in every forest in Idaho, that it became evident that there was a real crisis with respect to the stability of dependent communities. I think we've only scratched the surface of the problem that's presented to us over the next 10 years in the forest-planning process. And I make that statement at the outset because I think even though those of you who are looking at the problem, are only seeing the surface. You are not really delving under that as to what it really means in the change of terminology and the fact that that new terminology merely sets a ceiling. It doesn't determine what's actually done. And if some percentage, and all of us know this is true, if some percentage of the new harvest is planned to occur in currently roadless areas, that some fraction of that current plan will not be achieved.

Now am I wrong?

Mr. MUELLER. No.

Mr. HILDING. Again, I remember back in the 1960's when we had a similar situation that we have today where the Congress required a report from the Chief of the Forest Service as to whether they were meeting the allowable cut goals in the West. I don't know whether you were around at that time or not. And we had to continue that for a few years.

Now, what I am getting at is, is it possible for a congressional committee to monitor and see if these goals that are being set for cut and sold are being met?

Senator MCCLURE. We do monitor, certainly, and we do have differing performance in differing areas of the country as you would guess. But it is monitored carefully. We start out in our appropriations subcommittee trying to determine the harvest yield which we expect, how many board feet do we expect to move to harvest during the next fiscal year. We are trying to establish in our bill

11.2 billion board feet. Now, the difficulty of achieving that varies according to the area that's involved. The coastal area has had less difficulty in the last year in meeting their targets because they had the contract turnback program that was important in their area. And so they could easily turn those back in to the sales program. They also had most of the area roaded so they don't have the same kinds of problems, although in a portion of the area even though land was released from wilderness, they are not being able to move into that released area because of other constraints that are being urged on planning. So, yes, we are tracking that and, yes, we know it falls short, and that's why I made the statement that I did, that whatever you do in annual sales quantity, which is the new terminology annual sales quantity, it's going to come under that in practice. But I think people in Idaho better understand and understand clearly that the timber-dependent communities and economic receipts from our forests are just going to decline drastically as I view it under the aggregate impact of the aggregate forest planning process. That's why I greatly applaud what Secretary Meyers did in saying, hey, let's hold them all up until we have each seen what happens in the aggregate to economic activities and to dependent communities.

Mr. MUELLER. Mr. Chairman, Senator, what you say is very true. But even if these plans are held up for only a short period of time, we know that in many areas, particularly in the Panhandle and in the Nez Perce that the Forest Service to sustain just what they have sustained in harvest level in the past decade, have reached the hydrological limits in many areas because they legally cannot get into the roadless areas. And if we continue the planning cycle, which I agree with and I understand what you are saying——

Senator MCCLURE. They legally can get into the roadless areas when a plan is adopted, when that plan becomes final.

Mr. MUELLER. Mr. Chairman, everyone can hire lawyers, but we have been advised by counsel that if there is site specific challenges to the roadless, any roadless area development, then in all likelihood the Government would not prevail, which tends——

Senator MCCLURE. Now you are talking about what the law says and how the courts apply what the law says.

Mr. MUELLER. Yes; and that's our concern though, Senator, is that even though we continue the planning cycle, and we do study the things we are doing today, that our need to enter these roadless areas for the industry and these dependent communities is now. And we don't have the vehicles to do that. I agree with you that we are in the probably net merchantable timber category in region 1 right now, 6,700 million is what our figures show, down from 1.2 or 1.3 billion 10 years ago. But it's going to be worse, we are told by the Forest Service, immediately if we cannot enter some of these roadless areas.

Senator MCCLURE. There is no question of that, Tim.

Mr. MUELLER. And I don't know how you solve that problem. But to me it has to be a legislative one. It's very difficult.

Senator MCCLURE. Well, that only requires we have a majority vote in both House and Senate.

Mr. MUELLER. I understand that.

PREPARED STATEMENTS

Senator **McClure**. Thank you all very much.

Any statements submitted or any additional statements will be entered into the record at this point.

[The statements follow:]

STATEMENT OF DOLLY HARTMAN

Quality of life here in north Idaho is heavily dependant upon access to adjacent public lands for economic stability of communities and schools. 'In lieu of tax' receipts from public lands are not a hand-out. They are an essential source of revenues to provide quality schools for our children and basic services for our people. While Recreation is a welcome supplementary revenue source it does not and cannot replace resource based business and industry to provide community stability and quality education for our young people.
WHO LIVE IN THE ST. JOE DRAINAGE IS dependant upon those natural resources

Of critical concern is access to timber both now and for the future. The need to increase future timber outputs with 325 MBF annually for IPNF and 215 MBF in the Clearwater NF was a priority recommendation to both of those Supervisors.

During the Forest Service public involvement last summer (1985), for which I served as Community Involvement Coordinator forthe St. Maries Ranger District, over 2300 individuals responing supported the need for increased timber harvest on a sustained yield on both the Idaho Panhandle National Forests and Clearwater Forests.

Additionally 127 people attended the public information-open house on IPNF plan in St. Maries alone! This was almost 1/2 of the total who attended all public meetings. Their main concern was directly related to community stability, quality schools, and basic services.

THESE FOLKS ARE NOT ASKING FOR LUXURIES BUT FOR THE OPPORTUNITY TO MEET THE NEEDS OF FAMILILIES AND COMMUNITIES.

Adequate funds must be appropriated to allow the Forest Service to do a quality job ofmanaging its timBER resource--both for harvest and ireforestation on an annual basis. Monitering of the Forest Service Plan also must receive adequate funding. I agree with many that this function can be carried out by public in conjunction with the Forest Service. I would not favor Monitoring be carried out entirely as an administrative function of the Forest Service.

It was an additional personal privilege to serve as Volunteer Public Involvement Coordinator for the Area-Wide Extended Public Involvement Group whose historical grass roots efforts opened heretofor closed doors of communication between major environmental interests, local government, schools, timber iindustries, community groups, and two Indian Tribes here in North Idaho. A copy of this workable venture is Exhibit #5.

Reconciliation was the underlying theme and addressed non-wilderness Forest management. The Wilderness issue was too sensitive for the group many of whom felt the wilderness issue would have to be settled by Congress. I AGREE. CONGRESS MUST ACT NOW. RESOLUTION OF WILDERNESS? RARE II IS A PRIORITY. Only then can the U.S. Forest Service and we the 'User-Stewards' attempt to resolve the thkhorny problems of land allocation and resource uses.

It is my belief that this must take place without further delay because so many of us who are on the scene now have developed an understanding of the complexities of resource allocations. It is those of us in this room who have grappled with the Wild and Scenic River Studies, National and and State Land Use Planning, Water Quality Legislation, Endangered Species.

Here in the Idaho Panhandle Forests the climate and understanding of resource allocation is conducive for constructive resolukutions to ForestManagement problems. The next real move is up to Congress.

Thank you.

STATEMENT OF GARY BARTON, SUPERINTENDENT, ST. MARIES PUBLIC SCHOOLS

The future of any community is directly dependent upon people who live, work and enjoy the area within which they live.

Public Schools are a viable and necessary link for a successful, dynamic and progressive community. If the school system is strong and healthy, than everyone else in the community will benefit.

Public school systems, although not normally considered as businesses, are generally one of the larger employers in a community. Not only does a local school system set the tone for successful and meaningful educational experiences for young people, they are also user friendly--that is, many of the items required for the local school system's daily operations are purchased through local, state and out-of-state vendors, thereby creating a stimulus to the economy.

Future timber supplies in our region are certainly a valuable natural resource and a necessary ingredient for our well being both as a school and as a community. Many people in our area are concerned with the projected long-term impact these resources will have upon them.

Future timber supplies, or lack thereof, directly and indirectly affect major communities, through the work force, and related services the work force is dependent upon.

As a superintendent of schools, in Idaho, for the past twenty-three years, a former Idaho Outfitter and Guide, and a user of federal forest special use permits, I hope to relay to you the economic and job related relationships of a timber based industry and its effect upon the local school, community and businesses.

I have found, that as timber resources decline, an economic ripple affect begins to occur in the community.

Recently, I moved from Kamiah to St. Maries and can speak from first hand experience. Potlatch Corporation closed their Kamiah operation and displaced about two hundred (200) workers. The effect on the public schools was massive, resulting in a loss of about fifty (50) students for each one hundred workers. This amounted to a financial loss of roughly $100,000 through state funding. Consequently, it was necessary to implement the school district's reduction in force policy, which resulted in less consumer spending. Magnifying this loss of purchasing power within the local economy by the laid-off Potlatch employees and by those indirectly connected to the mill, such as sawyers, truckers, saw shops, diesel and gasoline distributors, etc., and one begins to see the devastation that quickly envelops a community when the "life-blood" of a single based industry is curtailed, or removed.

It wasn't long after the Potlatch layoffs that businesses began to reduce the number of employees, thereby compounding the problem even further.

Federal funds that are timber related, such as P.L. 874, directly affect public schools and county revenues, and the ability to continue providing services to young people and the community they service. The following chart reflects the economic effect of P.L. 874 funding upon schools within the state, including St. Maries.

School Year	S.D. #41	*County Government
1985-86	$14,013	$41,309
1984-85	24,671	72,175
1983-84	12,808	37,265
1982-83	12,626	36,748
1981-82	19,034	55,211

St. Maries School District No. 41 receipts are a result of the timber contracts from forests that are in Benewah, Kootenai and Shoshone Counties. *The amount shown for County Government is the 70% due counties.

The State receipts are:

Year	Total Received in State	Total for School Districts
1985-86	$7,805,487	$2,341,646
1984-85	8,647,387	2,594,216
1983-84	6,874,296	2,062,289
1982-83	4,933,489	1,480,047
1981-82	9,066,232	2,719,870

A steady availability of timber, on a sustained yield basis, is a valuable community resource.

The economic implications, however, reach out much further than the public education sector.

Roads developed for timber harvest and management lend themselves to favorably impacting a region and local economy through special interest groups such as outfitters and guides, photographers, sportsmen, tourists, mining, river rafting, and other forms of recreation. Revenues from national forest in Region I exceeded $47,000,000 for timber, grazing, land use, recreation, power, minerals, and user fees during the 1985 fiscal year, all of which required road access through the national forests.

All such users spend dollars for fuel, food, lodging, real estates transactions, and other incidentals as they travel through the state, or take up residence in the service area near their activities.

A strong economy creates more jobs, money and consumer spending.

As a citizen, private business entrepreneur, and school administrator concerned with the welfare of St. Maries, I respectfully ask that you carefully review the economic impact that timber has on the overall and broad based economy in this region.

Thank you.

STATEMENT OF JACK A. BUELL

My name is Jack Buell. I am chairman of the Benewah County Commissioners in St. Maries, Idaho. Today, I am not only representing the feelings and the wishes of my fellow commissioners, but I am also speaking as an individual who provides employment for over one hundred families in North Idaho whose jobs are directly related to the Forest Products Industry. I own and operate 100 trucks and numerous other pieces of logging equipment which we use to transport forest products from the woods to the market place. Within the operating radius of Benewah County I count twenty-five sawmills, six of which are in Benewah County. I do gypo logging work for most of these 25 mills.

Before I begin, Mr. Chairman, my fellow commissioners and I want to thank you and the committee for spending your August recess with us here in Idaho.

These field hearings could be a God-send to the continued productivity of our Idaho forests and the local economies which depend so much on that productivity.

For the record, please understand that the topic of National Forest plans is not unfamiliar to me or the people in Benewah County.

For two-years the people in my county have worked very hard to provide input to the Forest Service for the Idaho Panhandle National Forest Plan. We have attended dozens of rallies, hearings, and meetings concerning the plan. The Forest Service has received over 1300 written responses from Benewah County alone concerning the plan. The people of our county view the Idaho Panhandle Plan as our lifeblood. That is why, Mr. Chairman, we are here today, - to tell you and Congress how concerned we are about the future of timber supply as outlined in this plan. We are concerned because the current Panhandle Draft Plan recommends future harvest levels at below the 1976 to 1980 levels. That is 294mmbf versus 275mmbf. A drop of approximately 25 million board feet annually would be devastating to Benewah County.

But, Mr. Chairman, that is only part of the problem. As we view it in Benewah County, the future timber supply form the Panhandle Forests will decrease much, much further. The reason is the inability of the Forest Service to enter the rodless areas. For much of the next three decades our timber supply will have to come from those commercial timber lands presently in roadless status. In the Panhandle Forest there are approximately 1.5 million acres of commercial timberland. Of these 1.5 million acres 853,000 are roadless, or 57% of the total. Of that 853,000, the Forest Service has recommended allocating 250,000 acres of "tentative suitable commercial timberland" to remain in back-country roadless status, or new wilderness. This leaves a roadless inventory of commercial forest land recommended for harvest of 527,000 acres. Herein lies the problem, Mr. Chairman. If the 527,000 acres of roadless commercial timberland are not legally mandated for harvest then in addition to the recommended 25 million foot decrease in the annual harvest as shown in the current draft plan, an additional 50 million board feet per year will be deleted from the harvest for a total loss of 75 million board feet annually. This is a decrease in the present harvest level of 27 percent. And, the Forest Service tells us this decrease will begin within two years. This is not planning, Mr. Chairman, it is economice disaster for Benewah County.

You might ask us here today how can we solve this problem? I feel personally Senator, that the solution has to be a legislative one. The 1976 National Forest Management Act and the concurrent mandate to write Forest Plans was passed in part to solve this very conflict concerning our roadless .areas and the commercial timber base that lies within. To date, ten years later and hundreds of millions of dollars of taxpayers money have been spent on Forest Plans without any results. And, Mr. Chairman, even if and when these Forest plans become final, many of us know the roadless areas will not be entered because of future legal challenge on site specific roadless developments. It is imperative then that Congress move to legislatively implement these plans and insulate the Forest Service from capricious challenge. We feel, Senator, that it is the only way our North Idaho industry can survive. Thank you and I will respond to questions.

RESOLUTION

WHEREAS, Idaho's timber industry is dependent upon timber from national forests, state owned lands, and privately owned land; and

WHEREAS, forest supervisors plan no increases in annual timber sales in Idaho's national forests, which contain two thirds of the commercial forest lands in the state; and

WHEREAS, inadequate national forest timber sales would eliminate 2,000 Idaho timber jobs and threaten the economies of timber dependent communities.

NOW, THEREFORE, BE IT RESOLVED THAT Benewah County urges the Forest Service carefully to evaluate future timber supply from all sources and to likewise consider the economic dependency of communities on an adequate timber supply.

AND, BE IT FURTHER RESOLVED that, should this study disclose a cumulative shortfall of available timber, the Forest Service is urged to modify individual draft plans to ensure supplies of timber adequate to maintain the existing timber industry.

DATED this 11th day of Aug, 1986.

Jack A Buell
Chairman

Board of County Commissioners

Benewah County

Beverly Villard
Attest

STATEMENTS OF:

W. TOM RICHARDS, PRESIDENT, IDAHO FOREST INDUSTRIES, INC.

LARRY ISENBERG, MANAGER, TIMBER AND LANDS, DAW FOREST PRODUCTS CO., L.P.

MICHAEL BOECK, RESOURCE MANAGER, MERRITT BROTHERS LUMBER CO., INC.

RICHARD HITCHCOCK, MANAGER, GEM STATE LUMBER CO.

Senator McClure. The next panel consists of Tom Richards of the Idaho Forest Industries, Larry Isenberg, DAW Forest Products, Mike Boeck, Merritt Bros.' Lumber Co., and Richard Hitchcock, Gem State Lumber Co.

Mr. Richards, we'll hear from you first.

STATEMENT OF W.T. RICHARDS

Mr. Richards. Mr. Chairman, I am Tom Richards, president, Idaho Forest Industries, Inc. Our company is headquartered in Coeur d'Alene, ID, and operates two mills in that city, one in St. Anthony, ID, and one in Medford, OR. Our Idaho sawmills and support staff directly employ approximately 350 people, and we are heavily dependent on national forest timber. In addition, independent logging contractors and their employees that serve these mills number in excess of 300 people.

During a recent meeting with region 1 forester, Jim Overbay, it became very apparent that we had either not communicated our timber supply concerns to the Forest Service very well or they have not been listening. While they seem convinced that the region 1 allowable sale quantities are adequate, I believe their convictions are based upon some popular but incorrect misconceptions.

I appreciate this opportunity to try and set the record straight regarding these misconceptions. They can be summarized as follows:

1. The industry already has an enormous volume of timber "under contract" and, therefore, does not need a large additional volume to be offered for sale each year.
2. The large volume of private timber now on the market precludes the need for increased national forest sales, and
3. Canadian competition is rapidly displacing our domestic industry, and the industry will never regain its former strength.

I'd like to try to address each of these misconceptions, both as an attempt to, once again, convince the Forest Service that the Panhandle allowable sale quantity is inadequate, and to clarify for the public these truly complex issues.

Panhandle timber purchasers had, at the end of June 1985, 965 million feet "under contract"—purchased from the Forest Service, but not yet harvested. At current harvest rates, that amounts to about 3⅓ years' worth for the local industry. This is a normal and desirable situation, for we need a 3-year lead time to build roads and schedule our harvesting operations on a typical timber sale. Typical timber sale time requirements are summarized in figure 1. Moreover, adequate timber under contract is our security—it tells our bankers, our employees, our stockholders, and the community that we have a secure future.

FIGURE 1.—TIMBER SALE TIMBER REQUIREMENTS

August 1986 [1]	July–September 1987 [2]	Summer 1988 [2]	Summer 1989
Contract award	Construct roads	Logging	Complete logging, slash piling, road maintenance.

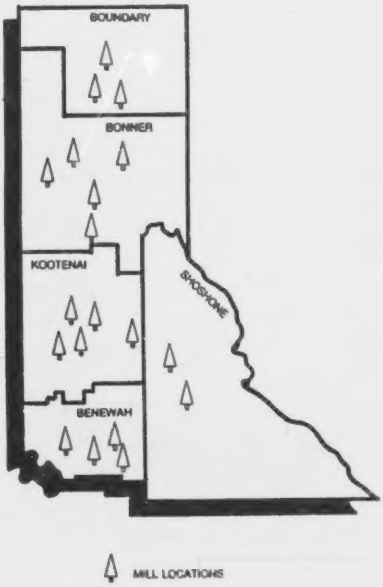
[1] Down payment due.
[2] Midpoint payment due.

What causes us great concern is when timber under contract falls below the 3-year level. We believe this is beginning to happen and we are alarmed. Given the situation on private lands, we do not believe the proposed Panhandle allowable sale quantity sufficient to maintain adequate volume under contract to meet our needs throughout the remainder of this century.

Timber from private lands also deserves close scrutiny by the Forest Service. While it is true that there is currently a large volume of private timber on the market, this is only a temporary situation. All the data, as evidenced by Forest Service studies, reflects that current sawtimber harvests on private land exceed annual sawtimber growth. This cannot last forever. Timber growth and harvests, plus local mill needs for the Panhandle area is summarized in figure 2.

FIGURE 2

PANHANDLE WORKING CIRCLE
(PANHANDLE NATIONAL FOREST)



INSTALLED MILL CAPACITY — 833 MILLION BD. FT.

TIMBER INDUSTRY EMPLOYEES — 5,225

PRIVATE SAWTIMBER —

GROWTH	278,147 MBF
HARVESTS	306,796 MBF

PERCENT HARVEST OF GROWTH — 110%

NATIONAL FOREST SAWTIMBER —

MAX TIMBER ALT. (GROWTH)	614,000 MBF
ASQ (HARVEST)	275,000 MBF

PERCENT HARVEST OF GROWTH 45%

It is true that the issue of unfair Canadian competition must be resolved for us to have a healthy forest products industry in Idaho. What is not true is that Canadian competition precludes our ability to prosper in the long run. The limitations on Canadian timber supplies are well documented. The Canadian forest products industry cannot continue to harvest at current rates on a sustained basis. Additionally, our competitive relationship with Canada changes according to exchange rates, the strength of Canada's dollar relative to our currencies, total softwood lumber demand, and such domestic policies in our two countries as employment goals or support for countervailing duties.

We believe that we can deal with the short-term changes in competitive relationship with Canada. There is nothing inherent in this relationship that spells the total demise of our industry, provided we resolve our current trade problem. Thanks to the efforts of Congressman Larry Craig, and Senators Steve Symms and Jim McClure, we believe this problem will be resolved through the imposition of a countervailing duty within the next 90 days.

But resolving short-term trade problems will do no good, if, in the long run, we are constrained by inadequate timber. If that happens, prices for the remaining timber will go up on the market to a level exceeding that justified by the price of the finished products made from that timber. Mills will become less able to compete during periods of low product prices because their raw materials cost will be too high. Some will not be able to survive, and the number of mills will adjust to fit a lower amount of available timber. In the process, we estimate we will lose 2,000 timber industry jobs.

Interestingly, the draft Panhandle plan recognizes that timber supply is becoming artificially short. The draft environmental impact statement notes that: "* * * it is assumed that the demand for IPNF timber will equal or exceed the projected supply under all alternatives and the maximum PNV benchmark."

Given this finding, the plan's documentation of the economic importance of timber to north Idaho, and the fact that all resource demands could be met or exceeded with an alternative that provides a higher allowable sale quantity, it is a complete mystery why the Panhandle allowable sale quantity is inadequate. If this inadequate maximum sale level is allowed to stand, we can expect a less healthy timber industry, additional unwarranted increases in unemployment, and attendant adverse economic effects in timber dependent communities throughout north Idaho.

Thank you for the opportunity to present our views.

Senator McClure. Thank you very much.

Larry Isenberg.

STATEMENT OF LARRY ISENBERG

Mr. Isenberg. I am Larry Isenberg, manager of timber and lands for a management group that manages two companies, W-I Forest Products, L.P., and DAW Forest Products Company, L.P. In this position I am responsible for log deliveries from Idaho national forests to sawmills in three States. The States and cities are listed as follows: One. Idaho—Coeur d'Alene, Albeni Falls, Bonners Ferry, Sandpoint. Two. Montana—Thompson Falls, Superior. Three. Washington—Spokane.

At these plants we employ 1,050 people and generate a payroll per year including benefits of $32,100,000. To provide these benefits, we must process 289 million board feet of logs annually. While some of our timber supply originates from company-owned land and other private sources we are heavily dependent on timber from the Idaho and other private sources we are heavily dependent on timber from the Idaho Panhandle, Clearwater, and Lolo National Forests.

We believe the allowable sale quantities in the draft forest plans are inadequate, shortsighted, and fail to recognize the value and potential of our industry in northern Idaho. We appreciate the opportunity to present our views to the subcommittee.

We believe that there is a bright future for forest products in the inland region despite the situation of the past few years, but before that future can be realized we must make sure there is sufficient timber supply. There is no reason why timber should be a limiting factor to growth of the industry in this area. There is a large inventory of harvestable volume. Growth rates are good, and it is relatively easy to assure new crops of trees as mature timber is harvested. We have an efficient and trained work force. All we require over the long term is the commitment by the Forest Service and the Congress for adequate timber sales.

As I said earlier, our operations depend heavily on the national forests as do those of just about everyone who will be testifying at these hearings. Yet the Forest Service is not responding to industry's needs just to keep even, let alone allow for expansion. Our companies would gladly increase the size of our milling and logging operations, and hire the people with which to do this, if we saw that timber would be available to support increased activity. In fact, the companies' chief executive officer, Douglas Westenhaver, spoke about this in Bonners Ferry last Friday, August 15, 1986. One of the items he stressed was what should be done with the volume of wood growing every year that is not being harvested. It is not environmentally sound to let these trees mature and die to cause increased fire and insect damage. One who proposes this is not an environmentalist, he is a preservationist. Doug proposed that it would be more environmentally sound to correctly harvest these trees and guaranteed, if the Forest Service did this, he would increase employment at the mill. It is a choice we have at Bonners Ferry—let the trees rot away or harvest them in an environmentally sound manner and increase emplolyment. Under the draft allowable sale quantities, that potential just cannot be realized.

The Bonners Ferry Ranger District used to sell 50 million board feet a year. The district has a timber inventory of 4.2 billion board feet, and if they cut only 3 percent of this a year, they could provide 120 million board feet. Yet, under the new plan they will sell 23 to 33 million and need to sell up to 48 million just to keep the existing industry going. The proposed cutting rate is far less than the growth rate, so the inventory would not be depleted. There is opportunity for real expansion of Idaho's forest products industry, but Forest Service actions are denying us that opportunity. The plans for all three of the forests upon which we operate fall far short of meeting the long-run sustained yield or of providing what industry knows it will need.

The Forest Service has not told the public what the cumulative economic effects of the agency's planning decisions will be, and there was no effort to look at ways to increase economic opportunities for the forest products industry. In effect, the Forest Service has made a policy decision that a major increase in economic activity is not good for north Idaho and has put out plans that make sure it doesn't happen. While the Federal bureaucracy has decided that no growth is best for us, I'm not sure that north Idaho people agree.

Some would have us believe that future economic growth will come from recreation and tourism, but this is a false hope. Jobs in recreation and tourism pay substantially less than manufacturing jobs. In order to capitalize on the tourists, we must provide additional destination facilities, because it is these type of facilities, not wilderness areas, that attract most visitors, particularly those who spend enough money to make a significant impact on local economies. Interestingly, the very people who promote tourism over our traditional basic industries are the same ones that try to prevent development of more tourist facilities. The current controversy over the Priest Lake proposal is a good example.

Let me make it clear that my industry supports tourism as an important segment of Idaho's economy. We need such facilities as Bonners Ferry's new motel complex and the Coeur d'Alene Resort, but I do not want to see the people of north Idaho misled into believing that the tourist industry can become a replacement source of employment for out-of-work loggers and millworkers.

It is also very important for the public, the Forest Service, and the Congress to remember that much travel which shows up as tourism is really travel generated by local business activity. A recent Montana study highlighted this, and I suspect Idaho's situation is similar.

In 1983 in Montana, all travelers spent $814 million. Of this amount, Montanans traveling within their own State for either business or pleasure spent $391 million, 48 percent of the total. This amount, large as it was: First, added nothing to the States overall economy; and second, occurred primarily because those Montanans were gainfully employed somewhere in that State.

Of the remaining $423 million, 30 percent, or $127 million, was spent by nonresidents in travel for pleasure, a measure of true tourism. This amounts to only 16 percent of total travel expenditures, but all too often total travel expenditures are equated with tourism expenditures. In fact, 84 percent of the total travel expenditures were a product of business activity in Montana. It is safe to say that locking up the forest and letting it die will not significantly benefit this 84 percent of travel expenditures and could easily harm it.

In summary, everyone seems to recognize that the economy of northern Idaho is not in good shape. Expanded tourism is not the total answer and should be used only to supplement our basic industries, nor replace them. The fact is that we have an opportunity to expand our forest products industry, but no one is going to develop new markets or expand plants without sufficient timber supply to support those actions. The Forest Service has decided that industrial growth, or even mere survival, is not in our interest and have made plans accordingly. We hope you can help us make clear their obligations to local communities.

Senator McClure. Thank you very much.

Mike Boeck.

STATEMENT OF MICHAEL BOECK

Mr. Boeck. Mr. Chairman, I am Michael Boeck, and I am the resource manager for Merritt Brothers Lumber Co., Inc. I appreciate this opportunity to discuss with you the implications of national forest plans on our company's operations.

Merritt Brothers Lumber Co., Inc., is in Priest River, ID, a community with an economy almost entirely supported by the timber industry. In our immediate area, there are at least five medium and large sized mills, all of which are at least partially dependent upon timber from the Panhandle and Colville National Forests.

Our company, although approximately 30 percent dependent on Federal timber, is a bit unique in that we rarely buy national forest timber sales. This is purposeful on our part, because we find the rules and redtape associated with Forest Service timber sales to be overly burdensome, and the quality of the sales offered not to our needs. Therefore, our Federal logs usually are purchases from loggers who occasionally buy Forest Service timber sales. We purchase only those logs which meet our size and species needs.

The allowable sale quantities in the draft forest plans do concern us, however. In fact, the owners of Merritt Brothers Lumber Co., Inc., are so concerned over timber availability that they have begun an aggressive program of land acquisition. We now own 16,000 acres, managed intensively for timber production. Even though this land and the timber on it represents an insurance policy against periods of tight supply, it is insufficiant to meet our mill's needs, no matter how intensively we manage it. This program is limited, however, as more and more private timber stands are being liquidated thus reducing the availability of good, well-stocked, private lands.

Ownership of this land demonstrates our commitment to this area but equally representative of this commitment is our recent investments to modernize our mill to keep it competitive.

Beginning in 1981, following a disastrous fire, Merritt Brothers Lumber Co., Inc., made the decision to rebuild. At that time more than $2¼ million was invested to rebuild and modernize. Our employment rate stood at 95 to 100 people and our production was averaging about 130 million board feet per shift. Since that time Merritt Brothers Lumber Co., Inc., has continued to upgrade their equipment, investing over $1 million in a new planer, new dry kilns, and boiler and extensive computerization. Today our employment stands at 125 to 130 people and production averages nearly 180 million board feet per shift. We will process nearly 50 million board feet of timber this year.

Our future plans calls for installing a new debarker and upgrading our rolling stock. In addition, the Merritt family has opened a small facility in Sandpoint, ID, to do custom planing and shipping.

This operation employs 20 to 25 people and has the capability to expand. Our future, however, will only be bright if this Nation maintains a strong commitment to a balanced timber resources policy.

In summary, there is only so much timber available at any given time. The ownerships are interrelated and, ultimately, inadequate Forest Service sales result in competition for private timber. Unfortunately, under the best of circumstances, there is not enough private timber to go around, so some mills will go out of business under the draft plans. The Forest Service even admits to this in the draft plan: "Demand for IPNF timber will equal or exceed the projected supply under all alternatives."

We suggest the Forest Service rethink its draft allowable sale quantities and look carefully at the relationship between timber from all ownerships. We regard this situation as critical and not at all comforting to those of us who want to live here and make our living in Idaho's timber industry.

Thank you for asking us to testify.

Senator McClure. Thank you.

Richard Hitchcock.

STATEMENT OF RICH HITCHCOCK

Mr. Hitchcock. I am Rich Hitchcock, manager, Gem State Lumber Co., Juliaetta, ID. Our mill currently employs 55 people and provides an annual payroll of $1.2 million, of which $800,000 to $900,000 is circulated in the local economy after taxes. Agriculture also is important in the area, but we believe our operation provides significant economic stability and diversity to the local economy.

In order to make the economic contribution that we do, we need to process 15 million board feet of logs annually. Currently, about 50 to 60 percent of our timber comes from private lands. Most of this is logged from farms or ranches which are not primarily being managed for timber production. There is no good information as to how much longer this source of timber will be available, but it cannot be relied upon as a steady supply.

Typically, owners of this timber are more motivated to sell it only when farm prices are down. Consequently, we are concerned about the future, particularly in view of what's happening on the national forests in the area. As our private sources of timber begin to dry up, we will have to look for alternatives, and the only ones available are the Clearwater and Idaho Panhandle National Forests. In fact, had the Forest Service carried their equitable share of our timber supply burden in the past, we would not now be harvesting so much timber from private lands.

When we look at our plans for the long-term future against those of the Forest Service, we see only trouble. The Clearwater National Forest is going to drop its timber sale program by 15 million board feet annually, or more. This volume, alone, is enough to keep our mill running. But it is pretty well known that over the next 10 years, other mills also will be looking to the Clearwater for timber. Some of our industry analysts figure that the Clearwater actually should be increasing its timber sale program to 215 million board feet a year just to keep the present industry going, and when you look at the planning documents, you see that they did look at an alternative that would do just that.

The situation is about the same on the Idaho Panhandle, although it is complicated by the forest's size. Overall, however, the new plan shows that 275 million board feet will be offered annually, where the projected need to maintain the industry is 340 million board feet. So even if the program is maintained or increased on the St. Maries District, which would help us, the overall effect still would be bad because mills to the north would be forced to move further south to meet their wood needs.

If both of these plans are put in place as they are now, it would mean that timber would be more expensive to buy. This will make it more difficult for the mills in northern Idaho to compete with other regions of the United States or with the Canadians. This would only mean that there would be further erosion of our timber-based economy.

Our operation probably is typical of many its size throughout northern Idaho. One by one, we are shifting from private sources of timber to the national forests. Unfortunately, the Forest Service does not seem to have taken this into account in its planning. None of the three northern Idaho national forests will be putting up enough timber to keep the industry operating at its current rate. Yet despite the tremendous adverse effects of their decisions, the Forest Service has done nothing to explain the total impacts of this on the economy. I can tell you that the loss of our mill would take at least $800,000 a year out of the local economy in the Juliaetta/Kendrick area just from lost payroll, and that's not counting the loss in property taxes and the money we spend for supplies locally to keep our business running.

When we look at the future prospects for private timber supply and then look at the forest plans, we see an alarming trend. We intend to keep our mill running, but there won't be room for everyone that is now in business. Even more alarming is the fact that the Forest Service seems not to realize or chooses to ignore the full cumulative impact of its decisions to reduce harvests. They should not be permitted to put any of these plans into effect until the total impact of these decisions is known.

Thank you for the opportunity to present our views.

Senator McClure. Thank you very much.

Steve?

Senator Symms. Thank you very much, Mr. Chairman.

I thank all of you for your statements. I just wanted to ask one question. Tom, you may want to comment on it. Maybe there are others that do.

With respect to the timber sale question and the water quality question, Harold Waddley, the district ranger on the St. Joe, told me that they were going to run into a real buzz saw over water quality because of the pressure to overcut on the private lands and the State lands, and that will have an impact on the national Forest Service land. Do you have any comment on that?

Mr. Richards. I don't have any comment on that specifically, Senator. I know closer in, Coeur d'Alene, we have the same problem on all kinds of ownerships when we are having to log too heavy in certain drainages, there are definitely going to be problems with water quality. We need to spread the harvest into areas, roadless areas and other areas.

Senator SYMMS. In other words, better environment would be to spread out the cutting over all the land that's available disregrading who owns it?

Mr. RICHARDS. Absolutely.

Senator SYMMS. Do you all agree with that?

Larry?

Mr. ISENBERG. I would like to make a comment. It's pure common sense, it's a lot harder on elk, a bull, it's a lot harder on elk than logging is. And fish, it's a lot harder on fish than logging is. And the No. 1 constraining effect on wildlife is human consumption. And we've got to get off of this wound-up and test-tube type atmosphere, because if you take a look at the St. Joe River, heavy fishing regulations are now in effect, and the Coeur d'Alene River, you'll see the fish populations have exploded in those creeks. We've got real trophy fishing, and we've got heavy logging going on. The consumptive use is the important thing, not the logging. We are missing that simple commonsense fact.

Senator SYMMS. I have an economist friend that tried to get the Congress to hire him to do a study of the Pacific Northwest. He talked to both Senator McClure and I. He formerly was on President Reagan's Economic Advisory Council. And his premise is that the Pacific Northwest will become the next Appalachia in the United States unless the question of sound management of the Government-owned lands in the region, meaning Oregon, Washington, and Idaho, is rectified and done very rapidly. And, of course, you are saying in your report on these timber plans that's exactly what's going to happen if we can't get the saw wood necessary, that our economy is going to be seriously hurt. I guess that's not a question, just a statement. We need to get that done within the Forest Service, the money we are already spending for plans, we need an economic environmental study on what happens to the environment of the families if they don't get the timber and look at it from that point of view.

Thank you all very much.

Senator MCCLURE. Larry?

Mr. CRAIG. Thank you very much, Mr. Chairman, and thank all of you for your testimony. The comments you make and the facts you provide seem very, very consistent. Current levels of activity can't be sustained under current draft plans. Although it is not the total responsibility of the Forest Service, which is governed by a variety of laws in the planning process, community stability must be considered. And it is my concern, as it is the concern of Senator McClure and Senator Symms, that the Forest Service has failed to do this in an effective way. What we hear here today continues to reinforce our earlier conclusions that this had not been a part of the consideration; that clearly water, wildlife habitat, and roadless areas were driving forces. And while community stability is as important a part, the politics from which I think the Forest Service felt the pressure was not in that direction. I also appreciate your input today because it may work to bring back on-balance politics and pressure from another direction that will make community stability in these examinations as important as all the other factors to be considered. Thank you all very much.

Senator McClure. I, too, want to thank you very much.

I don't really have a question, but it struck me particularly, Rich, when you were talking about what happens to a community like Julietta. One of the great needs we have in rural America today, particularly agricultural rural America, is to bring more economic activity to those communities.

I just spent 2 days across southern Idaho talking with agricultural leaders and agricultural interests throughout the farming communities across the southern part of the State, and I don't know how many meetings with how many different groups from Soda Springs to Boise. And in every instance it seems to me that local communities are concerned about the economic impact upon them because of the downturn in agriculture. They are worried about the long-term impact of declining numbers of people involved in agriculture. And without exception, they're going to need some infusion of new economic base in their community. And we are going to spend a lot of effort, and I suspect a lot of money trying to get new job opportunities in agricultural communities. When you run into an agricultural community where there is an existing sawmill operation and say we can afford to lose it, we are in exactly the opposite direction. Now that may not be the Forest Service's responsibility as a whole, but I think they are required to look at the economic impact on timber-dependent communities. We've usually defined that in the past as those who don't have any other industry. I think we need to broaden that look to recognize that many of our communities have two economic bases, one agricultural and farming, and the other in the other part of agriculture, which is timber harvest. Boy, if we don't recognize the impact that we are going to have on small communities as the economic base shrinks, we are going to see tremendous dislocation, because there is a point at which communities no longer are economically viable. Businesses leave, professional services leave. It's a self-compounding problem. And I think we need to look at that through a number of these communities where timber harvest and manufacturing is a very, very important part, very important contributor to the local economic base.

Thank you all very much for your testimony.

Panel No. 3 consists of Fred Cantamessa, Roy Bodine, and Jim McNall.

STATEMENTS OF:

FRED CANTAMESSA, COMMISSIONER, SHOSHONE COUNTY
ROY BODINE, CHAIRMAN, POST FALLS HIGHWAY DISTRICT
JIM McNALL, BONNER COUNTY COMMISSIONER

STATEMENT OF FRED CANTAMESSA

Senator McClure. Fred, lead off.

Mr. Cantamessa. Mr. Chairman and members of the subcommittee, my name is Fred Cantamessa, and I serve as a commissioner for Shoshone County. I also serve as chair on the Idaho Association of Counties Public Lands Committee and vice chair on the National Association of Counties Public Lands Steering Committee.

We appreciate this opportunity to testify on the U.S. Forest Service long-range plans for management of the national forests in Oregon, Washington, California, Idaho, Montana, and the balance of the West. These plans can provide for the economic stability of forest resource-based communities by maximizing management for wood products—or can initiate cause for declining employment, taxes, and livelihood for citizens in the region. Idaho is the fourth largest lumber producing State in the Nation. Of Idaho's 44 counties, 24 receive a share of revenues from the National Forest System. Understandably, the harvest, management, and long-term policies on the national forests are of great importance to counties.

By Federal law, 25 percent of the gross national forest receipts are returned to the counties in which the forests are located to be used for schools and roads. These funds are only generated when timber is cut and removed from the national forests by contract holders.

Proposed timber sale levels in the draft plans now being considered for all of Idaho's national forests promises to cause drastic economic problems for the major timber producing counties in the State. The plans call for a harvest of 220 million board feet less than the State's timber industry needs to maintain current levels of employment, which would translate into a loss of 2,000 jobs in the next 10 to 15 years. This substantial reduction in timber supply comes at a time when the forest products industry is just beginning to come out of a long recession.

Due to overpriced Federal timber sales over the past 8 to 10 years there has been an increasing dependency on privately owned timber. With little more than 3 million acres of private timberland in Idaho the time has come where the annual harvest of private timber is exceeding the annual growth; whereas sales from Idaho's national forest lands have decreased by some 100 million board feet per year for the comparative period.

The harvest of mature timber from the Forest Service lands has a direct bearing upon the economy of timber producing counties. In many counties, these receipts are a large part of county budgets and counties cannot make up the shortfalls from timber receipts by increasing tax levies, especially where the economy is depressed and unemployment is so high.

Eighty-two percent of Shoshone County's land area is in public ownership. We maintain 330 miles of roads and 75 percent of our road system is used in the transport of heavy log loads from harvest sites to the mills. These same roads provide access to several Forest Service recreational campsites which are heavily used by people outside of our county. The maintenance of our road system is funded solely by shared receipts. Shoshone County has not had a road levy since 1975 and with the passage of the 1-percent initiative, in 1978, does not have the ability to levy for roads without destroying the remainder of a budget.

Since 1977 our share of receipts has declined from $1,902,085 to $1,210,221 in 1985 and road maintenance costs have steadily increased. As a result of this condition our road maintenance program has suffered significantly. For lack of adequate funding we are forced to patch where major replacement should be done, and in some instances, roadways have deteriorated to such an extent that we are returning hard surfaced roads to gravel. Still we must maintain these roads for transport of whatever quantity of timber is harvested.

The tentative plan to sell no more than 679 million board feet of timber each year from major Idaho forests would conceivably reduce Shoshone County's timber receipts by $500,000 annually and create a direct job loss of 400 persons.

In closing I would strongly urge that every consideration be given to the economic impact that the development of the forest plan will have on county government.

This concludes my statement. We want to commend the subcommittee for their efforts. I would be pleased to respond to any questions you may have.

Senator McClure. Thank you very much.

Roy Bodine.

STATEMENT OF ROY BODINE

Mr. Bodine. Good morning, I am Roy Bodine, a Post Falls highway district commissioner. I want to thank you for the opportunity to appear before this committee on a matter of such great importance to the Kootenai County Highway District. We greatly appreciate, Senator, that you have chosen to hold a hearing in Coeur d'Alene on an issue which has such a vital effect on the economy of north Idaho.

I will not attempt to address the technical aspect of reducing the allowable timber cut, for I am not knowledgeable in that field. I will limit my remarks to how the roads of our area will be affected and my viewpoint as a private citizen.

The Post Falls Highway District receives approximately $71,000 from the Federal forest reserve fund. Some of the other three districts receive a larger amount for a total of approximately $295,000. The $71,000 the Post Falls Highway District receives will place a new asphalt seal coat or wearing surface on 13.75 miles or a triple shot, on approximately 4.57 miles of highway. For the same amount of $71,000 approximately 394 miles of roadway can be graded and 3,944 miles of roadway can be snow plowed during a year.

I have always viewed timber as a crop that when matured should be harvested. As a farmer, I cannot believe timber is any different than a crop of wheat, apples, or potatoes. The harvest is the fruit of ones efforts.

One of the basic economic rules all farmers and businessmen have learned is that you must sell more than you buy if you wish to contine in business. Unfortunately, our Government fails to recognize or has never accepted that the basis for any sound economy must revolve around this philosophy. Is our Government really any different than any business that must sell what it produces in order to sustain itself? True, we must preserve our forest for future generations. However, can the future be bright for our children and grandchildren when our Government continually fails to resolve our great trade imbalance and the national deficit? I know of no banker that would tolerate a customer not paying his loan if the customer had a crop that could be sold.

There are people who believe the decline of the lumber industry is not serious, that tourism will pick up the slack. This is totally false. An employee of the timber industry presently is paid approximately $10 per hour which gives him considerable buying power. He lives in an above average home and pays considerable taxes to support the necessary government services such as schools, police, fire, roads, et cetera. An employee of the tourist industry, however, receives little more than minimum wage, with which he must buy the staples of life. He probably lives in low cost housing and is required to pay little tax toward the necessary government services he demands.

In summary, the Federal forest reserve funds are needed for maintenance of our roads, needed to provide quality education of our children and our economy needs the jobs that the timber industry provides.

Thank you again for the opportunity to appear before you.

Senator McClure. Thank you very much.

Jim McNall.

STATEMENT OF JIM MC NALL

Mr. McNall. Senator McClure and members of the committee:

My testimony today is to share my concerns about how the forest plan and management of Forest Service land within Bonner County may affect citizens and local governments within the county. Bonner County contains about 450,000 acres of Federal land, 250,000 acres of State land, and 450,000 acres of privately owned land. As a commissioner in Bonner County I am interested in how the management of the Federal lands will assist in providing jobs within the community, as well as helping fund local government services in a county made up of nearly 40 percent Federal land.

Last year Bonner County received nearly $375,000 in receipts from Federal lands, this is a reduction of over $350,000 from what has been received in some years. This drop is due partially to lower volumes of timber being harvested, but is affected greatly by the stumpage prices being paid. As the prices paid by mills for delivered logs approaches the cost of harvesting, a change in log prices of only $15 to $20 per 1,000 board feet may double the stumpage value. Thus it is important that we maintain both the volume of harvest and have a Federal policy that will support price. Any improvement in price will also help private timberland owners, many of whom have been reluctant to harvest because of low prices. I also would ask the committee to assist in seeing that the public lands shared-receipt programs remain intact and are not sequestered as part of budget balancing, since these are not budgeted funds.

The impact of the plan on the Bonner County economy will be primarily in two areas, the timber industry and tourism. I believe that the critical needs of both can be met if the resources to adequately manage the Federal lands are provided. I have two examples of why I am concerned. First is Samowen Campground located on Lake Pend Oreille; this campground last year had 22,000 visitor days or about 10 percent of the district total of 215,000 visitor days.

When I contacted the district in early spring this year to inquire about a proposed joint project on the access road they stated that they may not have enough funding in their recreation budget to open the park, or at the very least the opening would be later than previous years. The Sandpoint District has gone from five regular recreation employees 3 years ago to one and one-half employees this current year on Federal land. This type of reduction cannot help but have negative impacts on tourist activities in the district.

My second is in the area of timber sales. I'm aware of areas that have previously been logged except for seed trees, that now have sufficient regeneration and should have the remaining old growth removed before the young trees get so large that they are damaged by the logging. These areas are not scheduled for sale for several years, not because they aren't ready but because of a lack of manpower to process the sale. This situation may become worse in the future, the number of employees processing sales has declined considerably in the past year.

Another impact that the Forest Service has on the community is the number of employees receiving paychecks. I'm not suggesting that it is the duty of the Federal Government to hire more people just for the sake of providing jobs, but I believe that a cut of more than 100 summertime jobs in the Sandpoint District may be excessive.

Senator McClure. Steve.

Senator Symms. Mr. Chairman, I really don't have any questions. I am concerned about your comment about the $15 to $20 per 1,000. I find in my own mind a conflict. You say on page 1 the price paid by the mill approaches the cost of harvesting, a change in log price of only $15 to $20, and you double the stumpage value. That means to the county you are speaking of?

Mr. McNall. That would be to the county. Those figures are from the stumpage values I am aware of on private timberland. Many of the species that are predominantly grown in Bonner County are of lower value. We tend to see a lot of Jack pine, white fir, hemlock, species where the price paid by the mills is not much above the price of harvesting.

Senator Symms. The county does not get the stumpage money unless the timber is more valuable than the cost of the roads?

Mr. Bodine. No; actually, Senator, that used to be a problem. But Congress has rectified that situation where the actual price of the road is taken out after the county receives their share. So, that isn't the problem. The problem is actual cost of harvesting. The county receives its share upon whatever the bid price is, which is the stumpage price.

Senator Symms. So you are saying if it's a little higher, it's much, much better for the county. But the conflict is, if it's too high, they can't compete with the Canadians?

Mr. Bodine. That's it. The thrust of my comment is that the competition we have is creating a situation even with relatively high volume, we can still be in a position of low funding.

Senator McClure. Do you have any estimate of how much the Canadian stumpage policy—how much effect that has had upon the stumpage price here?

Mr. **Bodine**. Senator I wouldn't feel comfortable answering that question. I really couldn't.

Mr. **Craig**. Thank you very much, gentlemen, for your testimony. I have one question as relates to the revenues you addressed and the losses in those revenues based on executive plans and current loss based on the lower level of activity we've seen in the industry over the last several years. Have any of you done projections, considering the draft plan, potential loss of revenue to roads and schools and how much new economic activity in the county that's not there today would it take to offset that kind of revenue loss and how many additional people would have to come to your community to produce that kind of economic base? Have any of you looked at that in any way or have any figures?

Mr. **McNall**. Yes, Congressman. I would like to answer that two ways. First, like in terms within Bonner County, the projected plan, if the prices stay basically what they are today, we could anticipate revenues close to what we've seen in the last 2 years. Increases in that would certainly be an asset. But as far as how many people it would take to replace that revenue under current Idaho statutes and our inability to levy more than an increase of 5 percent on property tax, we could double our population and still not get additional revenue. That's one of the reasons why this revenue is so critical is because of our inability to increase funding from the local level.

Mr. **Craig**. You have responded in an interesting way. A doubling of the population in Bonner County to offset the loss of revenue based on current State law would be an environmental impact that present-day residents of the county wouldn't necessarily like. And what some who support the draft plans as acceptable to the future of forest management fail to recognize is that if we see this progressive loss in revenue from timber sales receipts, there will be an offsetting effort, as there well should be, on the parts of communities to increase revenue in other areas, and that will come to economic growth and expansion. It will have to come from that. And we would see very real changes if it could be accomplished, and that is a very large if, in the nature of these communities, probably in a way a good many current day residents would not like. You talk of a doubling of population of Bonner County, and you are talking about a phenomenal impact and substantial change in the economic environment, people environment, natural environment of that area. I question whether Bonner County can sustain a doubling of its population without these major environmental consequences. And I often find that some of our friends who propose a reasonable harvest in the forest fail to recognize the dynamics involved.

I thank you all very much for your testimony.

Senator **McClure**. Thank you very much.

[A brief recess was taken.]

Senator **McClure**. The meeting will come to order.

The next panel consists of Bud Anderson, Roger Burwell, Jerry Pavia, and Ernie Bratley.

STATEMENTS OF:

"BUD" LOREN J. ANDERSON, RESORT OPERATOR, SPIRIT LAKE, ID

ROGER BURWELL, SAGLE, ID

JERRY PAVIA, MEMBER, BOUNDARY BACKPACKERS, BONNERS FERRY CHAPTER OF THE IDAHO CONSERVATION LEAGUE

ERNEST E. BRATLEY, JR.

Senator McCLURE. Mr. Anderson.

STATEMENT OF BUD ANDERSON

Mr. ANDERSON. Senator McClure, members of this panel:

I am Bud Anderson. I am a resort operator at Spirit Lake, ID. I am also chairman of the North Idaho Lake Association Coalition, which represents some 2,000 members and seven lakes. We share a deep concern about the fate of our national forests.

The timber industry has a long history in north Idaho. Many thousands of homes have been built with lumber from north Idaho logs. Lumber was the financial backbone along with mining and agriculture that made north Idaho grow. But as the area matured, it became apparent that the national forests were not simply tree farms for the lowest bidder, but were a national treasure that involved wildlife, wilderness, recreational opportunities, and extremely vital watersheds for our lakes and streams.

It has become more and more apparent that inappropriate timber practices, or excessive practices has a multifaceted consequence on recreation and water quality in terms of sedimentation, erosion, algal blooms, and lake eutrophication. Whatever happens on the watershed slopes where the trees grow affects the streams and lakes at the base. It is inappropriate to consider one facet of the system—timber—without considering the long-term facet—the lakes and streams.

We talk of timber in terms of jobs. Yet we have a $1.2 billion industry that revolves in a big way around recreation on our rivers and lakes. We have numerous resorts, lake summer camps, lake rental cabins, marinas, boat sales and boat service, fishing charters, water skiing, scuba classes and diving excursions, river rafting—both charter and sport form—tour boats such as *Idaho* and *Mishan Oak*, seaplane rides, fly fishing—some of the best streams in North America—backpacking and just plain warm fishing from an aluminum boat on a summer day. There are thousands of jobs that rely exclusively on excellent water quality.

Because of a lack of Federal and State money, the citizens of various north Idaho lakes have invested over $100,000 of their own money to do the baseline limnological work that should have been done by the State or Federal Government. Spirit Lake, Hayden, Twin, Cocolalla, Kidd Island have retained university experts to define the problems and help design solutions. Dr. Raymond Soltero, et al., 1985, reports the nutrient load caused to Spirit Lake was 10 percent domestic, 10 percent atmospheric, and 80 percent tributaries. Soltero, et al., 1986, reports on Hayden Lake that 5 percent domestic, 26 percent atmospheric, and 69 percent tributaries. This year we have retained Dr. Fredrik Rabe from the University of Idaho—an expert on rivers and streams—to study the tributaries of the Spirit Lake watershed, at a cost of over $9,000. Why is it that the timber industry gets millions of dollars through the U.S. Forest Service [USFS] to do planning and the multimillion-dollar recreational industry that pays taxes does not get an extra level of planning attention? Yet federally funded timber planning does not consider the cumulative impact of timber harvest on the recreational economy which depends on protected watersheds and good water quality.

Timber harvest will have the greatest effect. However, it is not just one harvest but the accumulation of several harvests that pose the greatest threat to water quality.

Today's timber harvest will probably continue for decades to meet the USFS long-term management plan for a 100-year harvest rotation. The combined effect of each timber harvest project allowing permissible degradation under best management practice will result in significant long-term decline of water quality. This accumulative effect must be addressed before progress can be achieved in watershed management.

We lake dwellers also have a definite responsibility to reduce phospher loading to our lakes, through corrective measures. Currently, septic tanks and drain fields are the most common forms of sewage treatment. This type of sewage treatment allows leachate to enter the lakes when located too close in proximity to the shoreline. We have recognized this problem and are discussing and implimenting alternative sewage treatment, such as collection and central processing of wastewaters.

In order for any nutrient source abatement project to be effective, the water quality from the watershed must be preserved. Poor timber practice could easlily negate any improvements brought about by the construction and operation of sewer systems.

The combination of conservative forest practices in the watershed and proper sewage disposal can slow the eutrophication of our lakes and contribute to the maintenance of their water quality.

North Idaho has a special resource—lakes. We should maintain a water quality program to identify any deterioration of water quality before a problem develops.

In the last 30 years, the water quality in Spirit Lake has slid from high water quality, to a lake that is only fair water quality. We have used up one-third of the lake's life in less than 30 years. Our lakes are dying.

We hear "timber is a renewable resource." Well, recreation is a "renewable experience"; that generates a large economic base without destroying anything.

Between the Cascade Mountains and the Great Lakes, north Idaho is one of the last cluster of jeweled rivers and streams in North America. Let's not destroy one resource in our zeal to exploit another. Let's treat them as equals.

Senator McClure. Thank you very much.

Mr. Burwell.

STATEMENT OF ROGER W. BURWELL

Mr. **Burwell**. Senator McClure and members of the committee: I am Roger Burwell. I live in Sagle, ID, and am a retired Federal Government employee with 30 years service. Almost 6 years of my time was spent in Washington, DC, as the senior land use planner for the Bureau of Land Management. I have had a varied career; having held positions in both the private sector, and with the Government. I am a graduate forester, and my first position was with the Weyerhaeuser Timber Co., where I helped set up the first tree farm in America. I have also worked for two consulting firms, and have had interests in two sawmills in Oregon and California.

First, I want to say that I recognize that the timber industry is important to north Idaho communities. However, I also note that the lumber production curves have had many wide swings to severe lows as well as highs over the years, indicating a basic instability for the industry.

There has been much discussion of the present depressed condition of the lumber industry, and a concern for the stability of the communities of north Idaho. I, too, am concerned. However, I am sure that the citizens of Bangor, ME, were also concerned when the industry moved west to Michigan in the early 1800's. The people of Saginaw, MT, were concerned when the lumber companies cut out and moved to Minnesota, and the people of Peshtigo, MN, were concerned when the timber was cut and burned out, and the mills moved to the Pacific Northwest. The people of many towns in Oregon and Washington have also had such concerns over the years, as they have watched the number of mills that have shut down permanently.

The general philosophy of the lumber industry has been to "cut out and get out." There have been a few family owned companies that were community oriented, and they set up sustained yield operations on their company-owned lands. Two such companies in Oregon were the Booth-Kelly Lumber Co. in Springfield, and the C.D. Johnson Lumber Co. in Toledo. During the 1950's stock in the companies that was owned by members of the families no longer envolved in the management of the companies, was serreptitiously acquired by the Georgia-Pacific Corp. When they finally controlled over 50 percent of the stock, they voted to sell out the companies to the Georgia-Pacific Corp. As soon as G–P acquired the vast old growth stands, they rapidly liquidated the timber. In fact, they even sold timber and logs to other mills in order to enhance their short-term cash flow.

Gentlemen, were the lumber companies concerned about communities? Ask the people in Toledo, OR, Aberdeen, WA, Trout Creek, MT, or Potlatch, ID. Also consider the towns such as Valsetz, OR, which have disappeared. The historic fact is that the lumber companies with out-of-State stockholders and management are unconcerned about community stability; their concern is for short-term profit. New York stock manipulators have assured that the day of the patriarchal company is long gone, except in Japan. A community can only achieve stability by having a diversified economy.

Look at our situation here in north Idaho. We certainly cannot expect Louisiana-Pacific, a clone of Georgia-Pacific, to be concerned about communities. Diamond International and Pack River cut out and sold out, and DAW and W–I are Oregon companies who threaten to shut down their mills if the workers don't take a substantial cut in wages. Plum Creek Lumber Co. has cut out and closed their mill at Trout Creek, and is now liquidating their old growth timber on 90,000 acres on the St. Joe and Clearwater Rivers. They will have it all clearcut in very large blocks within the next 10 to 15 years. Bob Boeh, Plum Creek manager said:

> We've determined it's in our best interests to harvest the timber as quickly as we can get into it and sell it, at least until we get out of this old growth backlog.

Are these companies concerned about the people in north Idaho communities? The really important question is: Should the people of north Idaho, and the people of United States, be concerned about providing the lumber companies subsidies through the forest plan, to keep them in business?

Since the publication of the proposed forest plan for the Idaho Panhandle National Forest, there has been much comment by various lumber industry spokesmen, that the plan does not provide enough timber to meet the mills needs. Such comments raise a number of questions. First of all, what is the present mill capacity in north Idaho? Various sources list the capacity at approximately 833 million board feet in 1979, which was considered a peak year. There have been quite a few mills that have gone out of business, or that have shut down plants permanently, yet industry still attempts to relate supply needs to the 1979 data. Current mill capacity data must be used in the new economic study that is being undertaken by the USFS, if the study is to have any validity. It should also be remembered that mill capacity figures are "pie in the sky" figures; actual production under the most optimum conditions seldom, if ever, equals these figures; especially in the older mills.

Apparently, 1979 was the last good production year before the present market slump. Yet the IPNF offered 323 million board feet that year, and only 312 million board feet was actually sold. More significantly, only 182 million board feet was harvested. The 6-year average 1979 to 1984, was 289 million board feet offered, 272.2 million board feet sold, and only 209.2 million board feet harvested. The figures for 1985 from the IPNF are, 262 million board feet offered, but only 188 million board feet sold.

The fact is, that in no year, has the industry purchased all of the timber offered. Also, even though they bought considerably less timber than offered, at the time that the buy back was initiated, over 1,000 million board feet had been purchased from the IPNF and had not been harvested. Since the buy back, the figure has dropped to a backlog of approximately 800 million board feet on the IPNF. At the 6-year average harvesting rate of 209.2 million board feet per year, this would be almost a 4-year supply of timber.

The 1986 trend seems to indicate a continued downward demand for timber. As of midyear 1986, region 1 of the USFS, which is composed of Idaho and Montana, had offered a total of 321 million board feet, and only 207 million board feet had been sold; 71 million board feet was unsold, and 43 million board feet had been appealed. Figures for each forest are not available.

The downward trend in demand for the forest industries has been projected to continue far into the future, by the Northwest Power Planning Council. They project that there will be a negative growth, with a drop in employment in the timber industry from 1985 to 2005 of from −0.8 to −1.7 percent.

With Plum Creek Lumber Co. increasing their cut by 15 to 20 million board feet per year and selling the logs to other mills, the president of Plum Creek said that although the heavy harvest will add to an oversupply in the market, north Idaho and Montana mills are pleased with the company.

It, therefore, appears that if the IPNF continued to provide a volume of approximately 200 million board feet per year, they would be continuing to provide their presently harvested share of the supply into the future. The big question then becomes: Can industry continue to provide their present share of the supply into the long-term future with their past lack of reforestation and good sustained-yield forestry, and the rapid liquidation of their old growth? The answer appears to be that it will be impossible.

In summary, there is no way that the lumber industry will provide long-term stability for north Idaho communities any more than they have in the past in other States. As large corporations, they are only interested in short-term gains for their stockholders. To really provide community stability, other forest uses should be developed to provide a more diversified economy. Economic studies of various other uses of the forests, similar to the ongoing timber economic study, must be undertaken before any commodity or use allocations are made, and the forest plan is finalized.

A recent article in the Spokane Chronicle quotes a spokesman of the Potlatch Corp., a San Francisco company, as saying:

> The draft plans do not provide for adequate timber harvesting to sustain the forest products industry over the next decade. It's a concern, because what a shortage of logs would suggest would be mill owners competing for survival.

This seems to be in conflict with the statement of the president of Plum Creek that there is an oversupply in the market.

I think the ultimate question is: Should the citizens of the United States, who are the actual owners of the U.S. national forests, provide an increased volume of timber to an industry that has been, and continues, liquidating the old growth on their own lands rather than managing them for sustained yield?

My final question is: What has happened to the "Good old American free enterprise and competition"? Does industry want low cost Government timber as a subsidy to keep them in business, regardless of the inefficiencies of the older mills or the past mismanagement of their own lands?

If the timber industry really needs a subsidy to be able to survive, it should be provided in the same manner as it is for the other renewable resources—agricultural crops—as a cash subsidy for reducing their annual production by *x* numbers of million board feet, or by providing a price support paid for out of budgeted Treasury funds. It should not be provided by increasing the cutting of U.S. Forest Service lands to the detriment of other forest uses such as tourism and recreation. These other uses are the ones which will help provide economic stability to our north Idaho communities.

Senator **McClure**. Thank you.

Mr. **Burwell**. I have some additional tables and articles that I would like to have placed in the record.

Senator **McClure**. They will be inserted in the record at this point.

[The information follows:]

ATTACHMENT 1

TABLE 1: TIMBER RECEIPTS AND EXPENDITURES ON THE IDAHO PANHANDLE NATIONAL FOREST, 1979-1984

	Fiscal Year						Six Year Average
	1979	1980	1981	1982	1983	1984	
	(Thousands of 1984 Dollars)						
Timber Receipts: (1)							
Cash	19839	13652	8071	3098	10127	12450	11206
Non-cash	6840	13913	7886	4650	2698	4088	6679
Total	26679	27565	15956	7748	12825	16538	17885
Timber Expenditures: (2)							
Sale Preparation and Administration	8484	7511	7453	7270	6452	5544	7119
Reforestation and Stand Improvement	1547	1770	2001	822	600	875	1269
Timber Road Construction	12738	21085	12223	9474	8018	9656	12199
Total	22770	30366	21676	17566	15070	16075	20587
Net Timber Receipts:	3909	-2801	-5720	-9818	-2245	463	-2702
Ratio of Timber Receipts to Expenditures:	1.17	0.91	0.74	0.44	0.85	1.03	0.87
	(Millions of Board Feet)						
Volume of Timber:							
Offered	323.0	318.0	274.0	272.0	304.0	243.0	289.0
Sold	312.0	317.0	272.0	251.0	262.0	231.0	274.2
Harvested	182.0	237.0	235.0	145.0	258.0	198.0	209.2

(1) Timber receipts are the sum of cash and non-cash receipts for timber harvested on the national forests. Cash receipts include payments for timber and funds collected under the Knutson-Vanderberg Act for reforestation and timber stand improvement. Non-cash receipts equal the value of timber given to purchasers in exchange for the construction of timber access roads. Such non-cash payments are known as "purchaser road credits".

(2) Timber expenditures are defined as: a) Sale Preparation and Administration - includes expenditures for sale preparation and administration, stand examination, timber salvage operations, and timber sale support; b) Reforestation and Stand Improvement - includes funds collected under the Knutson-Vanderberg Act for reforestation and timber stand improvement (data on appropriated funds used for this purpose are not available); c) Timber Road Construction - includes "purchaser road credits," road contribution, engineering support expenses and appropriated funds used for timber road construction.

SOURCE: U.S. Forest Service, Office of Timber Management, Washington, D.C., March 1985.

ATTACHMENT 2

TIMBER SUPPLY DATA FOR IDAHO NATIONAL FORESTS

			Six-year Average (1979-1984)		
	Backlog (mmbf)	ASQ (mmbf)	Offered (mmbf)	Sold (mmbf)	Harvested (mmbf)
Panhandle	800	250	289	274	209
Clearwater	480	150	161	133	137
Nezperce	180	102	102	83	65
Payette	250	74	70	61	50
Boise	230	78	102	67	75
Sawtooth	7	12	17	13	12
Challis	5	3	4	3	4
Salmon	20	21	32	22	17
Targhee	185	97	83	62	75
Caribou	18	10	18	16	16

Backlog figures are as of July, 1986, and were obtained by personal contact with each forest. Six-year average figures for offered, sold, and harvested volumes were obtained from Office of Timber Management, U.S. Forest Service, Washington, D.C. ASQ (mmbf) refers to the draft plan average allowable sale quantities.

ATTACHMENT 3

United States Department of Agriculture
Forest Service

REPLY TO: 2490

Date: APR 24 1986

SUBJECT: Timber Sale Accomplishment - Mid Year Performance

TO: Forest Supervisors

I have just reviewed the mid year Periodic Timber Sale Accomplishment Report. It indicates that the total accomplishment of volume offered for the Region is 321 MMBF, or 32 percent of the FY 86 Regional target of 1005 MMBF. Of the credited volume offered, 114 MMBF (35 percent) was offered but not sold; 43 MMBF of the unsold volume is tied up in appeals.

This mid year measure of our Regional performance concerns me a great deal. It is unsatisfactory in two respects: failure to meet our mid year offered volume and the extremely large percentage of unsold sales. When analyzing individual Forest performance the picture is even more disheartening. See enclosed report.

Between now and the end of the year I expect that each Forest will meet their FY 86 volume targets.

Most important, we simply must do a better job of offering quality sales with a potential of selling. There are too many sales going unsold. This is the single biggest factor affecting our below cost sale situation.

I am asking each one of you to assess the salability of each sale remaining to be offered in the FY 86 program. There are a variety of techniques available in the Region to accomplish this task (Peterson's Model and the Value Analysis approach presently in use on the Nezperce). In addition, it would be worthwhile to enlist the help of local timber industry representatives to help determine the ingredients necessary to improve the chance of selling sales in your local markets. It's easy to blame the lack of sell on market conditions, and certainly this is one of the key factors. However, our experience shows that we can redesign sales to make them more attractive and still meet our resource management needs.

To emphasize the need for improvement, I will continue to monitor Forest performance on volume sold as well as volume offered. We need to work together and with the industry to improve our current situation.

James C Overbay

JAMES C. OVERBAY
Regional Forester

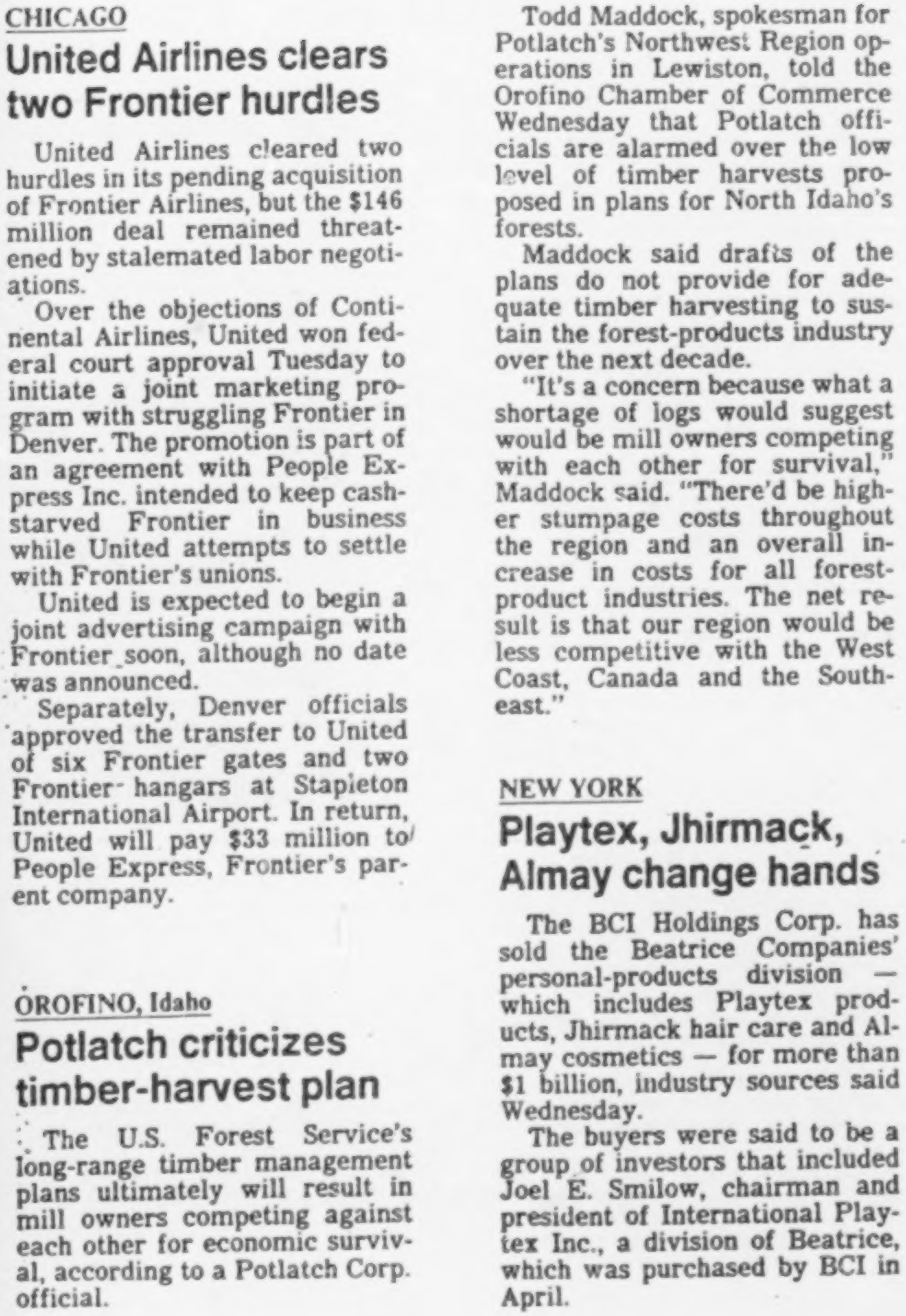
ATTACHMENT 4

	Employment (In thousands) 1980	1985	2005	Average Annual Rate of Growth (%) 1985-2005
HIGH				
Lumber			34.6	-1.9
Plywood			18.5	-1.1
Other			50.0	0.3
Total			103.1	-0.8
MEDIUM				
Lumber	52.0	51.1	32.1	-2.3
Plywood	26.7	22.9	14.3	-2.3
Other	61.2	47.0	49.8	0.3
Total	139.9	121.1	96.3	-1.1
LOW				
Lumber			26.0	-3.3
Plywood			12.2	-3.1
Other			47.3	0.0
Total			85.5	-1.7

(Adapted from Northwest Power Planning Council, 1985. P. 19)

ATTACHMENT 5

[Business—From wire reports]



CHICAGO

United Airlines clears two Frontier hurdles

United Airlines cleared two hurdles in its pending acquisition of Frontier Airlines, but the $146 million deal remained threatened by stalemated labor negotiations.

Over the objections of Continental Airlines, United won federal court approval Tuesday to initiate a joint marketing program with struggling Frontier in Denver. The promotion is part of an agreement with People Express Inc. intended to keep cash-starved Frontier in business while United attempts to settle with Frontier's unions.

United is expected to begin a joint advertising campaign with Frontier soon, although no date was announced.

Separately, Denver officials approved the transfer to United of six Frontier gates and two Frontier hangars at Stapleton International Airport. In return, United will pay $33 million to People Express, Frontier's parent company.

OROFINO, Idaho

Potlatch criticizes timber-harvest plan

The U.S. Forest Service's long-range timber management plans ultimately will result in mill owners competing against each other for economic survival, according to a Potlatch Corp. official.

Todd Maddock, spokesman for Potlatch's Northwest Region operations in Lewiston, told the Orofino Chamber of Commerce Wednesday that Potlatch officials are alarmed over the low level of timber harvests proposed in plans for North Idaho's forests.

Maddock said drafts of the plans do not provide for adequate timber harvesting to sustain the forest-products industry over the next decade.

"It's a concern because what a shortage of logs would suggest would be mill owners competing with each other for survival," Maddock said. "There'd be higher stumpage costs throughout the region and an overall increase in costs for all forest-product industries. The net result is that our region would be less competitive with the West Coast, Canada and the Southeast."

NEW YORK

Playtex, Jhirmack, Almay change hands

The BCI Holdings Corp. has sold the Beatrice Companies' personal-products division — which includes Playtex products, Jhirmack hair care and Almay cosmetics — for more than $1 billion, industry sources said Wednesday.

The buyers were said to be a group of investors that included Joel E. Smilow, chairman and president of International Playtex Inc., a division of Beatrice, which was purchased by BCI in April.

ATTACHMENT 6

[From the Spokane Chronicle, Aug. 17, 1986]

St. Joe River clearcut criticized

By Jeff Sher
Staff writer

AVERY — A massive timber harvesting program begun this year in the St. Joe River drainage by one of North Idaho's largest private landowners has environmentalists and U.S. Forest Service officials worried.

Forest Service officials are concerned that the removal of tens of thousands of acres of forest cover during the next decade by Plum Creek Timber Co., the forestry arm of Burlington Northern, Inc., will increase the danger of forest fires and degrade water quality in streams, including two famous trout fishing rivers.

"They're really going at it up there," said Avery District Ranger Crockett Dumas. "We've got a serious concern."

Environmentalists are more outspoken.

"They're just raping the land. They're just taking off everything and leaving a mess," said Al Isaacson, who recently resigned as chief hydrologist for the Panhandle National Forest after 22 years with the agency. "With the thunderstorms we've had this summer, the streams have been running real muddy every time."

While the Forest Service does not allow clearcuts larger than 40 acres on federal lands, Plum Creek's largest clearcut cut so far has been almost 10 times that size.

"It's threatening some of the best fishing in the country, in the St. Joe and Little North Fork of the Clearwater rivers," said John Osborn of Spokane, coordinator of the Inland Empire Public Lands Council, an organization committed to preservation of public lands and resources.

"It's just like the horror stories of the 1800s. Cut and get out, and to hell with the recreational economy and the quality of life."

Plum Creek officials see things differently. They say the computer models used by the Forest Service overestimate the potential damage to watersheds.

"We do worry about those things. It just so happens that we don't agree with the models they're using," said Bob Boeh, manager of Plum Creek forests in North Idaho and Eastern Washington.

Plum Creek owns nearly 90,000 acres of land between the St. Joe River and the North Fork of the Clearwater River east of St. Maries. Nearly all of that land which has not been harvested and has marketable timber will be cut in the next 10 to 15 years, Boeh said.

From 3,000 to 4,000 acres of company land will be harvested each year during that period, for a sale volume of 50 million to 55 million board feet of timber a year. The company's average annual harvest for the last 20 years has ranged from 30 million to 40 million board feet.

The same policy is being followed on Plum Creek lands throughout the Northwest, Boeh said. Plum Creek owns 854,000 acres in Montana, 453,000 acres in Washington, 170,000 acres in Idaho and 10,000 acres in Oregon.

Plum Creek officials say the reasons for their program are economic.

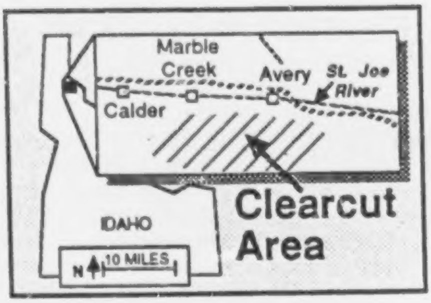
"We've determined it's in our best interests to harvest the timber as quickly as we can get into it and sell it, at least until we get out of this old growth backlog," Boeh said.

Plum Creek analysts see an oversupply of wood in North America and the world, and do not expect the value of timber to increase soon, said Dave Leland, president of Plum Creek Timber Co.

Although the heavy harvest will add to an oversupply in the market, the 13 North Idaho and western Montana mills that buy Plum Creek timber are pleased with the company's program.

Jackie Carpenter, of Regulus Stud Mill in St. Maries, said Plum Creek's presence in the market adds more competition.

"We pay more for Plum Creek logs than we do for open logs," said Mike



Welling, of Idaho Forest Industries in Coeur d'Alene, which buys more than 14 million board feet of Plum Creek timber each year.

But, Welling said, Plum Creek usually builds the roads, hires the loggers, delivers the raw material and allows mill owners to concentrate on converting the logs into lumber.

Despite the higher cost of Plum Creek's product, the U.S. Forest Service is having difficulty competing.

Only one major sale has been sold this year by the Avery District of the Panhandle National Forest, which surrounds Plum Creek's holdings. That sale accounted for 5 million of the 27.5 million board feet of timber offered by the district so far this year.

Dumas said Plum Creek's harvest is a factor in the agency's difficulties, but not the only one. Logs from the Bonneville Power Administration power line construction project north of Wallace also are flooding the market this year, he said, and the Avery District's sales increasingly are coming from steeper, more remote sites, boosting the cost of logging.

Boeh cited another reason why buyers may favor Plum Creek logs over federal timber — the relative absence of complicating, costly rules and regulations governing sales and operations.

Failure to sell timber is not the agency's only concern. Forest Service officials are more apprehensive about the long-range impacts of the Plum Creek activities on water quality.

Plum Creek and the Forest Service own alternate sections of land south of the St. Joe.

Under recent Forest Service operating guidelines, if enough sediment reaches the stream in a drainage from soil disturbance because of harvesting, on federal or private land, the agency may be prohibited from more cutting in that drainage. Sediment is the key factor because it reduces trout populations by burying spawning and rearing habitat.

Plum Creek is not affected by the Forest Service restrictions. The company will be able to continue to fell trees even in drainages where stream damage has become so severe that the Forest Service stops harvesting neighboring public lands.

Dumas said the agency already has deferred harvesting in some drainages of mixed ownership.

The company's cutting techniques, as well as the total number of acres harvested, also have come under fire.

Plum Creek is carving out some very large clearcuts for this day and age. The largest to date has been 381 acres, Boeh said.

About 25 percent of the company's harvesting for the next few years will involve clearcutting, Boeh said. After that, up to 50 percent of the harvest will involve clearcuts, he said.

Former Forest Service hydrologist Isaacson said Plum Creek also is using heavy equipment to excavate skid trails on excessively steep ground. The loss of soil on growing sites and the amount of sediment reaching streams adds up to "irreversible damage," he said.

"The way they're leaving that land, you couldn't go back in and have a good crop of trees on it," Isaacson said.

"It's just very, very poor practices, and the state so far has been real ineffective in stopping it."

The operating standards the company must meet are set by state law and enforced by the Idaho Department of Lands.

The department has no authority to consider the cumulative effects on a watershed from a number of timber sales, except with respect to shade cover near certain streams.

Each sale is judged solely on its own merits, said Brian Shiplett, forest practices adviser for the department.

The criterion for determining whether a sale complies with the law is whether a logging company follows "best management practices" — accepted logging techniques designed to minimize environmental impacts. The actual effects of the practices are not measured.

Environmentalists want Idaho to write regulations establishing some measurable standard, some "threshold of effect" beyond which water quality degradation would not be allowed.

"It's precisely the absence of those regulations that allows private industry to go in and do what they're doing," Osborn said.

Environmentalists are lobbying hard for changes as the state attempts to rewrite its water quality regulations. Idaho is under pressure from the federal Environmental Protection Agency, which has threatened to impose standards if the state does not establish an acceptable policy soon.

A final issue of concern for federal land managers is the method of slash removal used by Plum Creek on its St. Joe lands.

Most North Idaho timber companies pile the slash after logging, burn the site and replant preferred species of trees.

Plum Creek, however, has decided to leave the slash on the ground and to rely on natural regeneration, with hand-planting where natural restocking is inadequate.

A policy of not burning slash increases the danger of substantial losses from wildfire, said Dave Aldrich, fire staff officer for the Panhandle National Forest.

Fighting fires in areas with heavy accumulations of fuel on the ground is nearly impossible, Aldrich said. "If a fire starts in such a site, you're going to lose it."

Boeh acknowledged that Plum Creek is assuming a risk of fire loss that the Forest Service and most other companies are not willing to take.

To try to limit the risk to Plum Creek property, the Forest Service so far has required the company to pile and burn slash in strategic areas to create fire breaks. The Forest Service provides fire protection in the area.

A higher fire danger is not the only risk the company is taking.

Todd Maddock, director of public affairs for Potlatch Corp., said his company almost always burns and replants to accelerate the regrowth cycle as much as possible. "We bet we will get the incremental value," he said.

But Plum Creek has decided that burning and planting will not provide enough extra growth over 40 to 60 years to justify the cost today, Boeh said.

Potlatch, Corp., which owns hundreds of thousands of acres in North Idaho, replants mainly with Ponderosa pine and Douglas fir, and with white pine wherever possible, Maddock said.

The trees that Plum Creek is getting from natural regeneration are mostly grand fir.

The company is betting that the market for wood products will continue the trend toward fiber-constructed products, and the advantages of preferred species will not be so great, Boeh said.

Plum Creek's cost-cutting policies have sparked rumors that the company intends to sell off its timber lands as soon as the old growth harvest is completed.

Plum Creek president Leland denied the rumors. "We have no plans at this point in time to sell off our timber lands," he said.

Leland said Plum Creek is selling some timber lands that are low producers or that have higher value for other purposes, such as recreation.

In North Idaho, the company is negotiating trades with the Forest Service for some of its lands near the proposed Mallard-Larkins wilderness area that are considered prime big game sanctuaries and recreational areas.

But any timber land is for sale, if the price is right, Leland said.

"If someone walked in the door and offered us twice what we think it's worth," he said, "I'm sure we'd sell it."

Senator McClure. Mr. Pavia.

STATEMENT OF JERRY PAVIA

Mr. Pavia. My name is Jerry Pavia. I am a member of Boundary Backpackers, the local Bonners Ferry Chapter of the Idaho Conservation League. Boundary Backpackers is an organization of members of the local economy—mill workers, businessmen, professionals, retirees, men and women with families who work hard and express pride in both their community and its geographic setting.

In recent years, Boundary County has shown moderate population growth and at the same time seen decline in unemployment, this in spite of the fact that one mill reduced its payroll by approximately 30 percent 3 years ago, in spite of the fact that Canadian shopping dollars are spent less here due to the high value of the United States dollar in comparison to its northern neighbor, in spite of the fact that Canadian timber imports have increased. In the last 3 years Bonners Ferry has seen a number of new businesses start up and thrive. Other older concerns have modernized and grown. Major industries such as the Rocky Mountain Academy, a private school with a national reputation that located here because of the nearby wilderness and tourism, as exemplified by the Hawkins House and the new motel now under construction by the Hagadone Corp., are augmenting and, thus, easing the unhealthy dependence upon timber in our economy.

Boundary Backpackers has been working with Ranger Chuck Prausa and his staff on such issues as timber sales, wildlife management, water quality, and recreation. We have worked extensively as volunteers on the local trail system and have worked as well with Idaho Fish and Game in stocking our mountain lakes. We, as a group, do not stand only for wilderness. We have a comprehensive and healthy outlook which readily includes timber harvest. Because we do not simply profit from the area but live here, we would like to see practices which ensure a sustained yield of timber from our forests for years to come and we would like to see certain areas such as Long Canyon managed in ways more healthy to the community than logging them would be. There is no evidence whatsoever that logging Long Canyon would do anything to improve the economic outlook of the community, and including it in the wilderness system could very possibly brighten our future and will certainly improve the quality of life in the area for generations to come.

But I would like to make another point. Although the economic impact of the Forest Service plan and the economic impact of including Long Canyon in the wilderness system are, neither one of them, adverse, I feel that we should be talking here today about quality—managing our national forests in the most worthwhile manner. This suggests less concern for boosting the shortrun quantities we take out of the forest and more concern for the lasting quality we gain from it. Our society is currently on a quantitative roll. People want more, are not happy unless they get it, and are encouraged to continue with that attitude by a business and political structure more interested in profits and the production of material goods than in enhancing the quality of life for all Americans.

They are attempting to measure happiness and fulfill desires through acquisitiveness rather than through wholesomeness. But when we ask for too much, quality suffers.

Local conservationists in Boundary County, on the other hand, long ago came to a sound conclusion about what should and should not be included in their request for protected lands. Instead of padding their proposal for what should be wilderness in 1976, and then bargaining acres as if they were poker chips, we decided to stand only for what really should be wilderness—less than 3 percent of the national forest land in the county—Long Canyon and the Selkirk Crest. We made a decision based not on numbers and power broking, but on quality.

We love our country for what it is rather than what we can wrench from it. We respect freedom rather than acquisitiveness. We know the happiness our forefathers sought was not based on having more but on being better. We know that the God in whom we trust demands a spiritual examination of the issues rather than an economic inquiry. We take our example from nature, where we see that no species must conquer its environment in order to live successfully, that all environments and all societies have limits and to exceed them endangers everyone.

We need to work together, breaking down the barriers that separate us. Conservationists are not the bad guys and neither are you. We all gain and no one loses if we work together to protect certain lands in their wild state and harvest timber in a wise way from the rest. Let's close this gap. Let's seek quality answers, finding a means by which to manage our national forests for everyone, including the generations to come. This will happen only if we give careful attention not only to timber, but also to wilderness, wildlife, recreation, water quality—in short, economic necessities and the spiritual requirements of happiness. Thank you.

Senator McClure. Thank you very much.

Mr. Bratley.

STATEMENT OF ERNEST BRATLEY

Mr. Bratley. Gentlemen, let's look at the recreational picture.

Hunting and fishing, to many of Idaho's longtime citizens is a heritage passed down from father to son when back in time hunting and fishing was means of family survival and the fish and game meat was a necessity.

This was also a time for friends and family to gather together around the campfire to swap tall tales and yarns.

Hunting and fishing is somewhat the same today, except there are more sportsmen from far and wide using Idaho's forests and waterways. Competition for the use of public lands and waterways between industry—for timber, water, and minerals—and the sportsman is in the political arena and courts of law.

I ask myself why we have come to lawsuits and litigations and this was my answer. Years past, hydroelectric projects were built on major rivers and waterways with no regard to the fisheries. The anadromous fisheries for both steelhead and salmon were almost wiped out. Through the fish and wildlife program put on by the Northwest Power Planning Council, their policies and goals are to protect, mitigate and enhance fish and wildlife, including related spawning grounds. Today the future of anadromous fisheries looks good.

Mining practices of the past has also had its impact on fisheries and wildlife. Erosion, siltation, and mineral deposits which altered streams and watersheds with loss to fisheries and critical riparian areas. Indiscriminate logging of timber had little regard for wildlife, their needs and requirements. Fortunately for the National Forest Management Act of 1976, the management for fish and wildlife, soil and water and human uses—recreation—was enacted to protect the multiple-use concept. There again I ask myself, why with Federal laws and regulations protecting public lands, should the before mentioned problems still exist?

Lets look at some facts about the 1985 Idaho Panhandle National Forest budget for timber and wildlife. The budget for timber and roading came to $25 million and the budget for wildlife and fisheries habitat improvement came to $372,000. Wildlife habitat improvement—772 acres, fish habitat improvement—161 acres, and riparian management is still in the planning stages.

The proposed Forest Service plan calls for an annual treatment of 1,400 acres at a yearly cost of about $50,000. Fish habitat improvement is just about nonexistent except for volunteer work from sportsmen.

The facts of the budget for 2.48 million acres is timber—80 percent and wildlife and recreation—20 percent. To break it down even further, 2 percent or less is spent on wildlife habitat improvement or treatment of 0 to 700 acres.

Laws to protect and enhance wildlife and recreation are there. The disregard to these resources is evident in the money budgeted into its annual forest plan.

The bottom line is the Energy and Natural Resources Committee, chaired by the Honorable Senator James McClure, budgets the money to which our national forest budgets operate on.

Mr. Chairman, Senator James McClure—the budget balance between timber resources and wildlife and fisheries resources is just downright disgraceful! National forest level—1.5 billion for timber, 37 million for wildlife and fisheries. Less than 2 percent is for wildlife and fisheries.

Mr. Chairman, Senator James McClure, you have the power to correct this situation. You have a responsibility to the people of the State of Idaho. A reminder to you of the mandate your office holds to uphold the National Forest Management Act of 1976.

Senator Symms. Thank you, gentlemen, for your statements.

I am running a little but behind in my schedule, but I did want to stay and hear what you had to say. And I appreciate your comments.

Mr. Burwell, I was particularly interested in your comments about whatever happened to good old American free enterprise and competition. And I noted that with your statement, the last witness there, Ernie Bratley, I take it that you are somewhat displeased with the management of the Federal ownership patterns in the State. Is that a fair statement?

Mr. Bratley. Yes; I think that's a fair statement. I think that the Forest Service personnel right now are trying to do a good job on their forest planning. I complimented them on a number of occasions. I think what the big problem is there is too much hassling around about what's going to happen to the forest lands that industry keeps hollering they need more timber, and at the same time they are liquidating timber such as Plumb Creek is doing, and it doesn't make sense to people who are looking at long-term forest sustained management that this kind of thing occurs, and why the Forest Service land should take up the slack when people do that sort of thing.

Senator SYMMS. With respect to that and with the budget numbers that Ernie just brought out here, would you favor building down the qualities—I mean of us reducing the expenditures that are made to upgrade the roads all the time; in other words, build roads that are just adequate to handle the timber, get the timber out and let them grow back to grass or something and not have such gold-plated roads?

Mr. BRATLEY. I think if you question anybody who have been associated with the lumber industry, that they will tell you that a good percentage of the forest roads are overbuilt. And having spent quite a bit of time in private industry myself, I would have to agree with that. I think there is some compromise on the types of roads that can be used in different sorts of areas. I think when you get into some critical areas, you do have to spend a lot of money to build the few miles of roads in order to protect the environment. In other places I think you can build some pretty cheap roads that you abandon once you are through with them. So, there is no pat answer.

Senator SYMMS. I will try to wrap this up. I know the chairman wants to keep things moving here.

And I will let you have a chance to comment, Ernie, but I just want to quote again.

You say whatever happened to the good old American free enterprise and competition. Am I interpreting you to say there that you might even favor some of this Government-owned—Federal Government-owned land to be owned closer to home?

Mr. BRATLEY. Well, not necessarily like that. I think the best management is management on the local level. Having spent a good number of years in Washington, DC, I know it's kind of hard to manage things from Washington.

Senator SYMMS. See, that's a conflict that the three of us are in, where it's owned by the Federal Government, it's going to be managed politically one way or another through the process of politics and government, and not necessarily always. And that's the problem here, there's a conflict here for two points of view.

Now, one of you made a comment, and I appreciated that, that we really—that conservationists aren't bad guys. I always thought I was a conservationist, and I didn't think I was a bad guy, so I agreed with that, accepted that. I don't think you considered the conservationists in the way you said it. I can't remember whose statement that was. It was Jerry's. Yes; conservationists are not the bad guys, and neither are you.

I would just like to say that I think there may be a lot of forest timber harvesters who would also consider themselves conservationists with respect to good practices. And I think we have a problem. We've got a definite problem with respect to flexible management that can fulfill all these demands that the public puts on the Government ownership patterns in our State, and it's going to have to be done politically, it appears, if we can't get these forest plans settled without extensive litigation by the professional land managers as the 1976 act intends, that we will go through the planning process, weigh all the considerations of recreation and watersheds and timber harvesting and all the other uses that are put on the land and then come up with a plan that's implemented by professional land managers. But every time that happens, they get sued, and it gets thrown back into court, and the process just grinds on.

So, I'm happy to hear your testimony.

And I think, Ernie, I asked a question, and you wanted to respond. And I'll shut up, Mr. Chairman, so you can move on here.

And I want to apologize to all the witnesses that will be here later. I had hoped if there are some prepared statements that the staff will gather them up for me, and I will catch them tomorrow in Emmett, because there are a couple here in particular that I would like to look at and see what their responses are.

If you want to make a comment on my question, Ernie——

Mr. **Bratley**. Yes, Senator.

I would like to state that if the Forest Service does have professional people that operate in its agency, these professional people, of course, you talk to them in the field and in the office, they do have their hands tied with the moneys that they work on on the budget. Addressing the need to the fisheries and wildlife that's been addressed in my letter to you, this budget they have to work under pretty strictly. And a portion of their budget, Senator, goes out to the environmental impact statements for this particular type of budget like the fisheries' budget, wildlife budget. And you address these when you go out and look at the impact it's going to make on future timber sales. That money is taken out of that budget, Senator. And when you start digging and digging and digging, you get down to where that money goes into the land itself, there is very little there at the end of the year. For example, wildlife management, at the end of the year usually there's two times a year that—of course, many of us know planned burning and whatnot is part of that program. But there's two times a year they like to burn, early in the spring and late in the fall. Well, naturally you are not going to touch a match to the woods now because we know what the conditions are. Early in the spring when you have rains and the type of weather we live with up in the Panhandle area, it's not really normal to burn that time of the year. But that would be the time to burn. But it just can't occur under the plan and scheduling that the Forest Service lives under. But the money is the question. Certainly, there's no doubt in my mind. I addressed $50,000 to 1,400 acres. That $50,000 would have to be hard money to make to burn, not for research and not for studies. We know it's there. But that would have to be hard money to go into that. And I address this area in particular, the Panhandle National Forest, but I am also addressing other areas you will be going to such as the Clearwater, which probably has the largest elk herd in north Idaho. But I am not going to get into that.

Senator **Symms**. Well, thank you all very much.

Senator McClure. Congressman Craig.

Mr. Craig. Thank you very much, Mr. Chairman, and all of you. Let me ask a question of all of you. Do you agree with the current draft proposal?

Mr. Pavia. I wouldn't agree with the whole draft plan because I think it's very out of balance. It addresses timber production too much. And, like Ernie said, it just totally loses everything on any of the other issues like recreation and water quality. It just doesn't do it.

Mr. Craig. You do believe the current draft is out of balance, weighted to timber?

Mr. Pavia. Definitely.

Mr. Burwell. Well, I think that Jerry is probably right. I think probably the basic flaw that I could see in the forest plans, I don't think they addressed enough alternatives in the plan so that they all could be looked at. On the other hand, I think the plan is salvageable. I think with some modifications it could be a darn good forest plan.

Mr. Bratley. I believe the Forest Service plan is a good plan. There are certain portions that need to be addressed. A touchy portion of it would be between recreation and timber industry would be the wilderness portion. Of course, there are areas of give and take to that. I believe that myself, my personal feeling. I believe that the recreation and the timber industry should finalize, put the polish, final touch to what we put into wilderness areas. I don't want to see it in legal courts. And I believe the politicians have other problems in the State they should issue than besides the wilderness issue. So I firmly believe it should go back on stage and be worked out between the agencies, the Fish and Game Department, Forest Service, timber industry, and recreation. That's my personal feeling on that.

Mr. Craig. Mr. Anderson?

Mr. Anderson. I feel the same way, it is out of balance, that more should go to other agencies.

Mr. Craig. Let me ask another question, because I am curious, a followup not intended to put you on the spot. I see all of you are from the immediate area. How long have you resided in the areas you currently live? Where did you come from?

Mr. Bratley. My last residence before I settled into Sandpoint was over in Libby, MT. I have been residing—I married a woman from that area, and I have been residing there for almost 15 years now.

Mr. Craig. Fundamentally western.

Mr. Bratley. Yes.

Mr. Anderson. I am 10 years here and from California.

Mr. Burwell. I have been a taxpayer in Bonner County since 1967. I only lived there part time up until 3 years ago. I lived 7 years in Spokane, WA, and prior to that in Washington, DC.

Mr. Pavia. Boundary County for 10½ years, of which 7½ of those I worked in the local sawmill until the sawmill closed.

Mr. Craig. The reason I asked that question is that all of us are attracted to Idaho for one reason or another; we either are native or became residents, and that's fair. Obviously you were attracted to the beauty of the north, but you were also attracted to the communities. At least, I believe I can make the assumption that you were attracted to the communities as they presented themselves at the time you developed interest in them. So I would ask this gentlemen: How do you propose to sustain the current economic activity, the schools, the roads, the overall condition of the communities you settled in if you would further reduce the timber harvest and thus forest revenue?

Mr. **Bratley**. Congressman, you know the situation of Kootenai County, Boundary County, and Bonner County. Issues brought up in Kootenai County and Bonner County are the schooling situation. We are bringing in certainly a tax base, but it doesn't seem to be ample enough to keep our schools open. Some of the schools are outdated, and our population is increasing in that area. We have children which we have to educate. The timber portion of that isn't just the answer to it. We need other industry in that area, certainly. And the recreational portion would bring in—of course, help supplement a portion of that. I don't have a complete answer to that, no. I don't know of anybody here in this room or even there that can answer that question in the fullest. But we are just going to have to look at other types of resources to update our school and bring some more money into the budget as well as what comes through the timber resource.

Mr. **Craig**. Let me ask you this question, because I asked the question of a county commissioner a while ago, and you may have been in the audience. And I said, with the anticipated loss of forest revenue as described by the draft plan, what kind of human activity would it take in your county to offset at least that amount? And the answer was, a doubling of the population of Bonner County. Would you agree with that, and would you like it if that were the alternative plan?

Mr. **Pavia**. Mr. Congressman, I think if you check with Jim McNall, you will find out you misunderstood what he said.

Mr. **Craig**. Well, I may have.

Mr. **Pavia**. And what he was saying was that the county has doubled in recent years, and he wasn't referring now to the future of the economy. I go back to what my statement was—I think that any economist will tell you that the only way you can have stability in a community is to have a diverse economy——

Mr. **Craig**. Absolutely.

Mr. **Pavia** [continuing]. Which is spread out so that you don't have a one-industry economy, which Idaho has suffered in the north Idaho area for some time, be it the silver economy in this area or the timber economy up further north. And, look, I think what all of us are saying is, we need to put a real effort into studying the economics of the impact of these other uses of the forest land so that we know what we are talking about and that we can help these other industries get established up here so we've got—maybe we get some more Mr. Hagadone developments down here. That would have a lot more impact than one of our little sawmills. And I think this is the kind of thing that we're looking at.

Mr. **Craig**. Well, I thank you, and I agree. I have no disagreement with you. One last question, chairman.

I was curious about the figures that Ernie put forward, and I have no dispute with the figures at all. You've done your research, and I can't dispute them.

Mr. Bratley. I did get them from the U.S. Forest Service.

Mr. Craig. I will say it's not the total picture. I would suggest to you the hundreds of millions of dollars being spent now by the Bonneville Power Administration in fisheries. That happens on forest land, there's a lot of money being spent there. Those are tax dollars; in essence, the ratepayer dollars. I would also suggest to you the U.S. Fish and Wildlife Service money—hundreds of millions of dollars a year—is spent in Idaho and on Forest Service land. This needs to be considered in the overall dollar amount expended for wildlife habitat, for fisheries rehabilitation and maintenance and those types of things, and I don't think you can look at the Forest Service budget alone as the only dollars that are being spent on the forest land for the purpose of wildlife maintenance. Would you agree with that?

Mr. Bratley. No, sir.

Mr. Craig. Well, I think you should. And if you don't I will be happy to supply you with the budget figures, because there are millions of dollars more being spent that you seem unwilling to recognize.

Mr. Bratley. Where?

Mr. Craig. Where? Well, you ought to look at the fisheries that are being developed, the hatcheries that are being developed——

Mr. Bratley. I believe I did address that portion——

Mr. Craig. But you seem to ignore the amount of dollars being spent in Idaho, tax dollars for the purposes you would wish to have them spent. I am not disagreeing on the expenditure of dollars. I am saying it is necessary to project the total picture when it comes to wildlife managment, wildlife rehabilitation.

Mr. Bratley. Congressman, are you saying that the timber industry will not have an impact on our wildlife management habitat?

Mr. Craig. No; I did not say that. I said there are tradeoffs. But you were talking of dollars spent. And I think in your testimony you said there are more dollars being spent for timber than for wildlife, and you are right if you look only at the Forest Service budget. But if you look at the U.S. Fish and Wildlife Service, they don't spend money on timber. They spend it on wildlife. And if you look at the money that's coming out of the Bonneville Power Administration budgets right now, it relates to those mitigation problems. What I am suggesting to you is that, we look at the total picture in terms of money spent on land the Forest Service has responsibility for managing.

Mr. Pavia. Congressman, I think now you are getting back to the one thing that I brought up earlier, and that's this. We don't know what the economic impact of those things are, and that's why I'm saying that I think that we need an economic study of the inputs and outputs on just the kind of program that you're talking about as well as we do on the timber industry. We've financed the timber industry study now. But we are not doing comparable studies on these other aspects. And until you do that, you'll not have a total picture. And I think that's what we all need to know for sure, what those impacts are. Then we can argue whether it's good or bad.

Mr. CRAIG. I am not going to dispute you on that. You are probably correct.

Thank you, gentlemen, very much.

Senator McCLURE. Just to follow up for a minute on what Larry was commenting on, you know, if you take the aggregate of all Federal expenditures and all State and local expenditures, you would still have an argument as to how those expenditures ought to be allocated. It's a difficult question to really answer. But I think the Congressman is exactly correct, you can't just look at the way in which a Forest Service budget is broken down and then say that's the total picture. That's only a very small part of the picture. As a matter of fact, let's take just an example, Mr. Bratley, in your statement $890,000 in salvage sales funds. Quite a lot of that money is expended to see how indeed you could conduct a salvage sales in such a manner as not to have an adverse effect on the very values that are of greater importance to you. So, a part of that $890,000 is expended on precisely the area you want to see it expended on. The same thing is true in preparation of a timber sale as an example. I think the same thing is true with respect to the forest roadbuilding, perhaps not the—you might not quarrel with the allocation of money for fish and game in an area that was previously unroaded and unharvested. But certainly in areas that have been roaded and harvested, the money that is spent on how you go back and rehabilitate and maintain those roads in order to minimize their unfavorable effect upon fish and game values are also a part of the picture. I don't mean to keep talking if you want to comment.

Mr. BRATLEY. I am not disputing what the budget—you know, I didn't make any comment toward the timber budget per se.

Senator McCLURE. Well, you said——

Mr. BRATLEY. What I did say——

Senator McCLURE. You said, "Senator McClure"—and you repeated that several times—"You are in charge of the budget and look how awful it is." If you are going to say look how awful it is, tell me how awful it is.

Mr. BRATLEY. OK, let's go back to the recreation portion. Break it down and go out to the field man and ask the individual what is being spent on actual Forest Service land management to the habitat for the game. The land that's being treated, the money put into it——

Senator McCLURE. Let me ask you this—well, maybe they spent too much money in the office hiring the experts who do the studies and provide that as a basic ammunition by which we conduct arguments. Maybe we should fire all those experts who do the studies and put it out on the land.

But let me ask you another question. You are worried about recreation. So am I. How much of an old forest road upon which there may be two or three campgrounds upon which elk hunters may travel during the year, upon which the recreationists who stay down in resorts along the lake travel for hunting purposes or back country fishing opportunities or just for the joy of being out in the woods, how much of the cost of maintaining that road should be charged to timber operations and how much should be charged to other values?

Mr. **Pavia**. I can't give you an answer, but maybe I can give you and example. All right, one of the accesses into Long Canyon in Boundary County is Trout Creek Road. And the Forest Service currently spends zero to maintain that road, and you could lose your life driving that road, it's so terrible. But as soon as——

Senator **McClure**. But that assumes you want to drive that road for some reason other than cutting down trees.

Mr. **Bratley**. Right. Right now they are not spending any on it. It is a heavily used recreation area. So that kind of recreation is lost on it.

Senator **McClure**. And we don't separately state those costs.

Mr. **Bratley**. Right. But they are not spending anything on it.

Senator **McClure**. But they are on a lot of other roads.

Mr. **Bratley**. We are talking about recreation. I will just maybe point out, maybe directing the balance in the plan, for the duration of the plan under trails, there is only currently planned another addition of 116 miles of trails in the plan.

Senator **McClure**. I don't question that. We respond to requests that come from the agency and try to provide as much money as we can, and the balance within the budget.

Mr. **Bratley**. Can I ask you a question?

Senator **McClure**. Sure.

Mr. **Bratley**. Senator and Congressman, you are not saying that Fish and Wildlife and Idaho Fish and Game should be responsible for moneys to go for recreation water quality. The national forest and Forest Service get more money——

Senator **McClure**. But those responsibilities overlap. You are surely not going to say the needs of the Idaho Department of Health has no interest in and should spend no moneys with respect to water quality.

Mr. **Brately**. I won't say that.

Senator **McClure**. I think there is an overlap, there is an overlap in the responsibility, and we don't clearly separate out the contributions of each to the solution of several questions that come up.

Bud, you mentioned the eutrophication of lakes. How much of the phosphorous load that may go into a lake comes from timber harvest?

Mr. **Anderson**. A study on our lake, we don't know at this point how much comes from timber harvest or agriculture. All we know, it comes from down the main tributary.

Senator **McClure**. You've had some studies made.

Mr. **Anderson**. And we now have Dr. Robe coming in, and he is going to make that assessment.

Senator **McClure**. My guess is this, unless there is some timber operator up there who is fertilizing the forest in order to get higher growth rates, very, very, very little of that particular component would come from timber harvest. That is usually associated with fertilizer on agricultural land and with human activities.

Mr. **Anderson**. Well, sir, I have been told by the experts that timber harvest and agriculture go hand in hand. I mean, they both contribute a good deal.

Senator McClure. Are you suggesting that they are saying that the timber industry contributes as much to the phosphorous levels in the water as does the timber industry—the timber industry does as much as the agriculture?

Mr. Anderson. In certain areas.

Senator McClure. Then you better talk to your experts a little bit more.

Mr. Anderson. That's the information I have been given.

Senator McClure. That's part of our problem, I guess, is whether or not we get accurate information. That certainly is not the information that I have. I live on a lake in Idaho, and it's a beautiful lake, and it was declining in quality, and it had timber harvest all around it. And almost the total, almost the total problem was sewage effluent going through septic tanks and sometimes raw sewage going into the lake.

Mr. Anderson. That wasn't the case at Spirit, because I went out on the lake with the people to watch them take samples, and they found very little around heavily populated areas.

Senator McClure. I think in cropland where fertilizers are applied, irrigation return flow is a large contributor. Timber harvest is not. It flat isn't if my information is correct. My information apparently is different than yours, and we need to get our heads together and get our experts together and maybe find out from them what the facts are.

Mr. Bratley. Senator, could I add a little bit to that?

Senator McClure. Sure.

Mr. Bratley. When you talk about pollutants, I think you will find the majority of pollutants that come into our streams come through siltation.

Senator McClure. That's different than the question I was asking.

Mr. Bratley. Yes, sir; and that's part of what we are trying to address, too.

Senator McClure. Surely you don't mean to indicate that's the only problem that the lakes have. I have no disagreement there.

Right now the major air pollution we have in Idaho comes from fires.

Mr. Bratley. For a short period of time.

Senator McClure. I sure wish it were shorter. The fire season isn't over yet.

Gentlemen, thank you very much. I appreciate your point of view, and I do sincerely solicit your input on some of these technical matters, because I think if we don't have an agreement upon basic facts, we are going to have a team that's driven by a wrong assessment of what the facts are. I think we ought to at least be able to get to the common assessment of what the facts are, although I suppose when you get into technical fields, you have diverse opinions there as well. But we ought to be able to narrow the area of disagreement with respect to technical information.

Thank you, gentlemen, very much.

Panel No. 5 will be Frank Bertino, Larry Curry, Mike Friend, and Warren Bakes.

STATEMENTS OF:

FRANK C. BERTINO, SUPERINTENDENT, WALLACE SCHOOL DISTRICT NO. 393, WALLACE, ID

LARRY L. CURRY, SUPERINTENDENT OF SCHOOLS, SCHOOL DISTRICT NO. 391, KELLOGG, ID

DR. MICHAEL FRIEND, SUPERINTENDENT, BOUNDARY COUNTY SCHOOL DISTRICT NO. 101, BONNERS FERRY, ID

WARREN BAKES, SUPERINTENDENT, COEUR D'ALENE SCHOOL DISTRICT NO. 271

Senator McClure. Mr. Bertino.

STATEMENT OF FRANK BERTINO

Mr. Bertino. Senator McClure, members of the Senate Appropriation Subcommittee on Interior and Related Agencies. I would like to thank you for the opportunity to provide testimony on the impact of the proposed national forest plan on Wallace School District 393.

I oppose the reduction in timber sales by the Forest Service below the level of optimum long timber harvest management, commencement with the multiple-use concept. I oppose this plan because of the reduction in forest fund payments to Wallace School District that this would bring, and because of the probable loss of more jobs in this area.

In the past 2 years we have received between $145,000 and $176,000 in forest funds per year. This is down from a high of $328,220 received in 1980. We have budgeted to receive approximately $156,000 for 1986. However, this is purely an estimate as the actual figure is not known at this time. I was surprised to learn that reductions in timber sales were being seriously considered. I was also surprised to find that Gramm-Rudman may also reduce the amount of forest funds paid to counties and schools in Idaho. If both of these events occur, it will result in a double whammy to the resources of the school district.

Historically, Wallace School District has used forest funds for maintenance of the plant and for educational equipment. However, reduced resources in the past few years have resulted in reduced school budgets. Mine closures in the past few years have eliminated, either permanently or temporarily, thousands of jobs. Mining is the No. 1 factor in the economy of the area. The timber industry has also been depressed in the past few years; timber is the No. 2 factor in the economy of the area. All of these combined create a reduction of $515,400,000 in the taxable market value of the district. This dramatic change in taxable valuation has created tremendous problems for funding the school district. This year, due to the depressed economic conditions, the first try as a supplemental levy election failed. A reduced levy was secured on the second try.

However, the budget for the 1986-87 school year was reduced from $3,496,500 to $3,062,650, a $433,850 reduction. To help make these cuts possible, $107,570 in salaries and benefits were moved from the general fund to forest fund expenditures. Also, $25,410 of textbook expenditures were moved from the general fund to the forest fund for a total of $132,980 for expenditures transferred from the general fund budget to the forest fund budget. Additionally, there was a reduction in force of approximately 24 percent of the staff in full or in part. These cuts have already placed the school district below minimum standards in areas such as class sizes. Further reductions in resources for the school district to operate its programs will exacerbate the problems. Just last year, Silver Hills Junior High School received National Recognition for Excellence in Secondary Schools. With this and further reduction in resources, we will be unable to operate Silver Hills in an excellence manner.

The vast majority of the area in Wallace School District is made up by national forests. Timber sales reductions will probably result in the loss of more jobs in this area. This will increase the declining enrollment that is occurring currently in the school district. The increased unemployment will also hinder the ability of the people to support the schools and degrade the climate for school support. The Idaho Forest Industry Council indicates a direct job loss of 553 in the Panhandle areas as a result of projected timber sale reductions.

Again, thank you for the opportunity to provide this testimony.

Senator McClure. Thank you very much.

Mr. Curry.

STATEMENT OF LARRY L. CURRY

Mr. Curry. Senator McClure, Senator Symms, Representative Craig, and members of the Senate Appropriations Subcommittee on Interior and Related Agencies:

The purpose of my testimony today is to make you aware of the impact Federal forest funds [FFF] have on our school district.

I will begin by sharing with you some background regarding this funding and its importance to the financial well-being of our district.

Prior to the closure of the Bunker Hill smelter and zinc plant in 1981, the Kellogg School District used Federal forest fund moneys for the purchase of buses and new building projects. During the year since 1981, all of the mining companies in our district have ceased to operate causing market valuation in our district to drop to approximately one-third of its 1980 value.

The mining companies have declared no net profits for the past 2 years placing more of the burden of taxation on district patrons.

It is obvious that the local economy is very depressed. Many people are without jobs and many have moved in order to find work. The Kellogg district has reduced staff, programs, and all budget areas by more than $1 million over the past 3 years in an attempt to deal with this problem.

Because the district has lost much of its ability to fund the schools at our local level, we have come to rely heavily on Federal forest dollars to make up a portion of the shortfall in general fund expenditures.

Since 1981, our district has received $1,645,985 as our share of Federal forest funds. We have used all of this money plus an additional $843,291 in Federal forest funds reserves from years prior to 1981 to meet payroll obligations to our staff; 9.2 percent of our current $3.6 million budget for salaries comes from Federal forest funds.

Any substantial decrease in Federal forest funds would have an adverse affect on our district as the shortfail would have to be raised locally by means of a supplemental tax levy. Due to the present state of our economy in the Kellogg district, this would be next to impossible.

If the supplemental levy were to fail, the district would have to reduce staff and programs to the point where our schools would no longer be accredited and most of our elective programs would be lost.

Classroom sizes would increase to the point that effective teaching would be difficult.

Any change in the method by which we receive FFF that would cause a reduction in these funds would be detrimental to the district.

I am not advocating overharvest of our timber supply as I believe this would eventually cause loss of revenue. If, however, the current level of timber harvest can be maintained without overcutting, our district can continue to depend on this as a source of income and be able to develop a plan to budget accordingly.

I urge you to work toward maintaining our current level of funding.

Thank you.

Senator McClure. Thank you very much.

Dr. Mike Friend.

STATEMENT OF DR. MICHAEL FRIEND

Dr. Friend. As the superintendent of the Boundary County School District, I am here to present a brief testimony regarding the impact of a reduction in forest funds to our school district. I represent a district of approximately 1,500 students in Idaho's northernmost county; an area of the State whose economy is heavily dependent upon timber and the lumbering industry. We are attempting to maintain a respectable academic program, while faced with the same challenges of all Idaho school districts in respect to inadequate school fundings.

In preparation for this testimony, I researched both the funds received over the past 7 years and the specific expenditures drawn from those funds for the past 5 years. As you can see, we have received substantial amounts of revenue over the years, with the largest amount being over $200,000.

As in most districts, some 73 percent of our general fund budget is allocated for salaries. Our district has consistently dedicated its forest funds to items which keep the district operating, not directly to salaries for personnel. This past year, funds were utilized to purchase: Student desks, $7,000; instructional equipment, $6,500; roofing and other maintenance, $21,000; four bus replacements to our transportation program which travels 276,500 miles on scheduled bus routes yearly, $120,000; operation of food service deficit, $12,000; and land purchase for anticipated kindergarten facility, $7,200; for a total of $173,700.

I am giving these items as examples of resources which would have to be budgeted from the general maintenance and operation budget it forest fund revenues were to be lost or reduced. The end result would be reduction of staff and programs, which in turn would result in less than minimal educational opportunities for the students of Boundary County.

As I investigated the expenditures of the past 5 years, no so-called luxuries resulted. Transportation, maintenance, and instructional equipment are the main categories of expenditures—all necessary for the operation of a district.

In addition to the direct impact of a reduction in forest fund revenues to the school district, another factor should be considered. In the communities that I represent—Naples, Moyie Springs, Eastport, Porthill, and Bonners Ferry—if jobs are lost as a result of a decrease in the amount of timber cut, what happens to the option, let alone the odds of passing supplemental levies, plant facilities bonds, or any other measure to support education. The result of families moving away because of job loss, another reduction in teaching units, and thus less money to continue operation. Thus, the effect of a reduction on a community's economy will have an impact on the school district in more ways than just the maintenance and operation budget.

I have included in the written testimony, a summary of both the revenues received from forest funds, and a breakdown of categorical expenditures for the past 5 years. I respectfully urge you to consider the drastic impact on our school district and community if the current national forest planning efforts on timber are adopted. Indirectly, such a plan will affect all school districts in Idaho; my objective in being here today is to illustrate the dramatic impact on the educational program offered to some 1,500 students in Boundary County.

Thank you for your consideration.

Senator **McClure**. Thank you very much.

Mr. Bakes.

STATEMENT OF WARREN BAKES

Mr. **Bakes**. Good morning. My name is Warren Bakes. I am the superintendent of Coeur d'Alene School District No. 271, student population 7,000. Budget approximately $13 million. In my presentation I would like to make two points.

First, the importance of not changing the formula for calculating Federal forest funds.

Second, the important role these funds play on school district budgets.

Because of the large percentage of Federal forest lands within the State of Idaho and other Western States, the Federal forest fund formula was generated as an in lieu of tax concept. Due to the efforts of Senator McClure and others, the formula was modified to its present form in the mid-1970's. The result was a significant increase to local road districts and schools. I would urge the Government to retain the in-lieu-of-tax concept and not consider a revenue-sharing concept. I would also hope that the current formula be retained.

Because of a reduction in timber sales in recent years, Coeur d'Alene has gone from a high of almost $150,000 in 1977–78 to the current level of less than $70,000. Even though this represents less than 1 percent of our total budget, its significance can't be accurately measured without additional information. Geographically, Coeur d'Alene sits astride I-90, the major freeway connecting Chicago and Seattle. As a result, our students compete in the labor market, in college, and vocational placement with students from Missoula and Spokane.

In turn, the school district must compete with these districts for the top quality teachers. Our major problem in doing this is money. Both Missoula and Spokane are currently spending about $3,400 per student to educate their students. That's approximately the national average expenditure per pupil. In Coeur d'Alene this last year our expenditure was approximately $1,840 per pupil. With slightly more than one-half the funds available to us, $70,000 becomes a significant amount.

I would urge you to continue the Federal forest funds and as you can see, the revenue from timber sales is very important to the schools of north Idaho.

Senator McClure. I thank you for your testimony.

I will make one comment and turn the microphone over to Congressman Craig for a moment.

With respect to Gramm-Rudman, I think most of us were startled to find that what we sometimes contemptuously call bean counters, and perhaps we shouldn't characterize it that way, decided that what Congress intended with respect to these funds that flow to States, that really belong to the States under the law, would also be subject to withholding of the funds as a result of the Gramm-Rudman-Hollings statute. We immediately protested, and we were told, no, it doesn't deprive them of money. It only holds it until the end of the year, and they will get it after the end of the fiscal year, which is not a very satisfactory answer, but better than the alternative.

Several of us are working very hard to make certain that those moneys which are—really, they're not Federal moneys. They belong to the States. They are not moneys that go to the Federal Government and then are shared with the States. Those are moneys which by law belong to the States where the money was generated. There are a couple other such funds as well. And I feel very strongly that to indicate to the subject, to the Gramm-Rudman law, it misses the point of the original statute that says that a portion of those receipts belong to the States to be distributed to the counties and schools. We have not yet resolved that issue, and there are those who will argue that it shouldn't just be deferred until the end of the year; it ought to flow back to the U.S. Treasury. So, we have some work left for ourselves in that area.

Mr. Craig. Once again, thank you, gentlemen. You pointed out very clearly the kind of impact any reduction in forest funds to your schools will have at this time. And, of course, you experienced those reductions in the past several years because of the level of economic activity with the forest products industry. I truly appreciate your testimony.

I guess I have one question. If a reduction was to occur, do you see at this time any activity in your school district that could offset a loss of these funds?

Mr. Bakes. Obviously in Coeur d'Alene the impact of tourism is significant. And I believe the figure that I've heard most recently used is that our tourism, and I am not sure whether that's for this area of the State as a whole, is up about 8 percent. I believe it's the State as a whole over the last year, which obviously is encouraging. However, Kootenai County and Coeur d'Alene is still very basically tied to the lumber industry, to agriculture and to mining. We have some diversification in electronics, but even the electronics market now is down. We've lost significant jobs in that area as well. With 9 percent unemployment, we need any kind of help that we can get; and we need, and I think on the long term, we'll continue to need the employment and related businesses associated with the timber industry.

Dr. Friend. As the gentleman from the previous panel mentioned in the area of Boundary County, Bonners Ferry particularly, there are some things happening which are encouraging. But to answer your question specifically to offset this type of a drastic reduction, no.

Mr. Curry. In the Kellogg area we have hopes that we are one of the sites being considered for the new prison. We also have the possibility of a gondola project that could help us out. But the magnitude of funds that we receive on an average of $333,000 per year, we put into our general fund of budget. So, there is no way. The only way we could raise that type of money is though a local levy, supplemental levy which, as I said in my earlier statement, would be next to impossible. I just don't see any way in the near future that we could make up for those funds.

Mr. Craig. Let me ask you some followup questions. If you lost—and we know even under the current plan, the draft plan, you wouldn't lose all of that money, but if you were to lose all of your forest fund money, what type of a property value would you have to have in your school district to offset that loss? What kind of a property value investment would you have to see? What's your formula to bring that $300,000-plus to you?

Mr. Curry. I don't have that figure now at this point, Congressman Craig, but it would have to increase substantially back to where we were.

Mr. Craig. What are we looking at?

Mr. Curry. Well, for example——

Mr. Craig. What does the levy——

Mr. Curry. The levy, current levy we get out, without a supplemental override, it would have been in the vicinity of $740,000 last year. We have picked up another $333,000 out of that, so approximately 40, 45 percent it looks like we would have to increase that.

Mr. Craig. You would have to increase the property value of the school district by 40 to 50 percent——

Mr. Curry. That is a rough estimate.

Mr. Craig [continuing]. To recapture the kind of money you have lost?

Mr. Curry. That wouldn't be exactly accurate, because we have some equalization through the State funding.

Mr. Craig. Frank, can you respond to the current level of economic activity in your area?

Mr. Bertino. Your followup question?

Mr. CRAIG. Yes.

Mr. BERTINO. To your followup question, it would require an increase in the market value of the district of about $24 million. And we expect a decrease in the market value of the district of about $70 million, about $72 million.

Mr. CRAIG. So you would have to stop the erosion and expect a $25 to $30 million investment in your school district to offset that kind of loss?

Mr. BERTINO. Yes.

Mr. CRAIG. Thank you.

Senator MCCLURE. Just a couple of additional questions, because I think you probably each have some common problems, but you also each have differences.

Obviously the Silver Valley is much harder hit than anyplace else in the area. Can you each tell me what has happened to your school populations over the last 3 or 4 years?

Mr. BERTINO. The population of our school district has reduced from approximately 1,500 students down to—we expect 1,000 students this fall.

Mr. CRAIG. One-third?

Mr. BERTINO. Yes.

Mr. CURRY. In the Kellogg area we have been reduced in the last 4 years, since the decline of the Bunker Hill Co., and most people moved, from almost 2,800 down to just over 2,000. And we expect enrollment right at 2,000 this fall hopefully.

Dr. FRIEND. In Boundary County the school population has fluctuated some but basically has been fairly stable.

Mr. BAKES. The Coeur d'Alene area is growing. Overall I believe there's been about a 14-percent increase in the total population of the Coeur d'Alene area since about 1981. However, the schools are not growing that rapidly. We seem to be showing some trend toward becoming a corporate headquarters and also a retirement area. We are growing, however. I'm not sure what the current unemployment will do when we open the doors in a week or so, but our schools at this point are badly overcrowded, and we have a high school that's designed for approximately 1,200. We will have between 2,000 and 2,100 in that school this fall on a double shift. We are approximately 600 seats shy of having enough room for our current elementary schools. And so we are badly overcrowded and obviously badly underfunded.

Senator MCCLURE. Thank you very much, gentlemen. I very much appreciate your testimony.

I have only one comment, I guess, and that's partly in response to a question I got from the press at the time of the break. They said, why these hearings now? Why weren't all of the facts submitted to the Forest Service in the planning process?

Each of you in some way has expressed either surprise or increased awareness of what's happening to you.

Let me ask you, did you express these opinions to the Forest Service during the planning process?

Mr. BERTINO. No.

Mr. CURRY. No.

Dr. FRIEND. No.

Mr. BAKES. No.

Senator McClure. They didn't have the advantage of your current views?

Mr. Bertino. No.

Mr. Curry. No.

Dr. Friend. No.

Mr. Bakes. No.

Senator McClure. Thank you very much.

We will now hear from Panel 7 consisting of Dennis Wheeler, Ray Miller, Peter Wilson, Leo Musselman, and Harold Sims. We will start out with Ray Miller.

STATEMENTS OF:

RAY MILLER, PRESIDENT, SANDPOINT CITY COUNCIL

PETER B. WILSON, BONNERS FERRY CHAMBER OF COMMERCE

LEO MUSSELMAN, VICE PRESIDENT, ASSOCIATED LOGGING CONTRACTORS, INC.

HAROLD SIMS, MAYOR, BONNERS FERRY, ID

STATEMENT OF RAY MILLER

Mr. Miller. My name is Ray Miller. I am president of the Sandpoint City Council. I am representing the city of Sandpoint.

The history of Sandpoint, like most other cities in this region, is closely connected to the timber industry. As citizens, we are deeply respectful and appreciative of that past. Many of us lament the style and quality of life that are waning with that industry. We also would welcome a resurgence of that way of life, if possible.

As the natural resource based economy of north Idaho slumps, we have begun looking for alternative areas of economic well-being. The Sandpoint area has looked more and more to the recreation-oriented tourist. We in Sandpoint have been blessed with many natural and man-made attractions that are becoming increasingly better known. Many surveys are now indicating that people are coming to the area as a destination, where in the past they simply "discovered" us by accident. Civic and private entities, just as the State has done, are increasing their commitment to attracting this market. We are now seeing businesses beginning and jobs created, catering to these customers.

Because the national forests are such a large part of our lands, they have become involved in this new industry. Thus, as you take testimony to develop the Forest Service planning process, I will ask that some thought be given to the recreational use of the national forests. Please understand that the city of Sandpoint does not come before you in an adversarial, either/or position. This is not the wilderness versus industry debate. We believe that timber and recreation cannot only exist well together but, in fact, can benefit one another. We have no input on number of board feet to harvest. We simply ask that as these plans are developed the recreational and tourist use of the forest be remembered. This could be as simple as routing a logging road to access a lake or hiking area, or developing increased trail and campground maintenance. Anything that can be done to increase the recreational use of the forest will benefit the economy as people come to use those facilities, not at the expense of the timber industry, but in addition to it.

I am grateful for the opportunity to speak to you. On behalf of the city of Sandpoint and Mayor Ebbett, thank you.

Senator McCLURE. Thank you.

Pete Wilson.

STATEMENT OF PETER B. WILSON

Mr. WILSON. Senator McClure, Senator Symms, Congressman Craig: I certainly wish to thank you Senator McClure, for having this hearing at this time. This matter of the method of using the forests of the United States has been in controversy for the last 10 years. It has waged particularly strong in Boundary County as the people of Boundary County have sought to retain a way of making a living against the pressures of the special interests and the wealthy to make a private redoubt for themselves. Unfortunately, during this full 10-year period of time, the discussion has always been reported as a contest between the timber industry and the preservationists. We, the people that will suffer the consequences of any final determination, have been totally overlooked in all discussions. Never before has any serious thought been given to the impact upon the people that live in the area of impact. Therefore, we thank you very kindly for giving us an opportunity to be heard. We have no more particular sympathy with the timber corporations than we do have for the preservationists. Each has its own special interests and each will do its own thing. In this Nation, however, we have in the past always felt that the first concern of our Government was to protect the people that lived within it. We are seeing in this controversy a placing of the people second to a coalition of animals, the rich, and the elite recreationists.

The Department of Agriculture has now stated that it wishes to know the economic impact on a local basis. However, the Forest Service does not understand what the word local means. It is proposing to give a report on a regional basis. It fails to recognize that while a regional situation may appear stable, within the region there may be very traumatic economic impacts. Our county is an example of this. It is suggested by some that you cannot determine economic impact because you do not have any experience. In our county we have experience. If you examine the past 11 years of the economy in our county, you will have an actual model to see what occurs. In the period of 1974 through 1977, there were approximately 45 million board feet of timber cut per year in our county. In that period of time, Boundary County was a relatively well-to-do community. People were working, and they were working at jobs from which they could derive an income to feed their families and give them some of the nice things in life. In the 4-year period of 1981–84, the annual cut has been reduced to 32 million board feet per year due to the continued recession. In that period of time our gross county income from logging alone has likewise fallen by $3 million per year. Using the accepted theory that $1 put in the community is used seven times before it leaves, an additional loss of $21 million per year is established. While it is true that our overall employment has gone up, nevertheless, our county income has gone down. The reason for this, of course, is that in order to continue to live in our area the employees have had to take menial jobs at $3.65 per hour instead of timber jobs at $10 an hour. This impact has created a situation where we are in a permanent recession. There are houses on the market for sale by people who are trying to leave the area so that they can get worthwhile employment. These same houses have been for sale for 4 years because there is no one to buy them. The Forest Service knows this. Yet, incredulously, the Forest Service, in its proposed plan, is suggesting that we will have 32 million board feet per year as an allowable cut—plus 5 million board feet it makes available from admittedly uneconomic logging areas. Perhaps this added 5 million is in the concept of a compromise.

Senator, you cannot compromise on somebody's stomach. They either have enough food to eat or they do not. They cannot have enough food to eat at 37 million board feet any more than they can at 32 million board feet. The minimum survival for the community is 45 million board feet per year. Without the 45 million board feet per year, we lose not only individual income, but public community functions as a whole lose income as has been outlined to you by Mayor Sims. It must be written in the plan that the Bonners Ferry District shall provide not less than 45 million board feet per year for harvest.

If the allowable cut is maintained as proposed, then we are being placed in a position of a permanent recession. We have no quarrel with the timber interests, and we have no quarrel with the preservationists. We simply say that in our area our economy is based upon the natural resources and so our economy is based upon timber and agriculture. Seventy percent of our economy is based on the timber resource. We believe that, if there are 680 million board feet of available timber in the Panhandle District and the Forest Service is only preparing to utilize 275 million, that some place in there there is another 8 to 13 million board feet per year of economically harvestable timber to be found for the Boundary County residents so they can have a good life—not as good as the rich doctors in Spokane or the wealthy people in Sun Valley but at least a life where they do not have to scrounge for extra money so that they can eat.

It should be pointed out that we took a survey of Boundary County as to what would happen in the event we lose one mill. I assure you, Senator, that if we only have a 32 to 37 million board foot annual allowable cut, that is just exactly what will happen, we will lose one mill. Some may jeer about this situation, but then there are those that jeered 3 years ago when Louisiana-Pacific said the situation in Boundary County was such they would have to close the sawmill portion of their mill. It is closed. In any event according to 58 businesses in Boundary County, the loss of one mill will mean we will lose more than one-third of our businesses and more than 46 percent of our employment outside of the timber industry. If that is the case, then we have no means by which we can pay the bonds of the existing bond issues within the city nor can we continue to maintain the physical plants of our schools or maintain the road system of the county.

If you have a system designed to be supported by 7,500 people and you are down to less than 5,000, those 5,000 cannot carry that much added burden. Senator, we are constantly hearing from the

Forest Service and the preservationists that they are speaking for a vast majority of this country. Senator, the facts belie these claims. Why the Forest Service will not admit this, I know not. Boundary County first became involved in this Forest Service controversy in 1978 when we were talking about Boulder Creek. At that time they had a nationwide survey to see what the people's attitude was a RARE II. The survey brought out 2,700 people throughout the Nation. In Boundary County alone 1,400 people of that 2,700 responsed. Those 1,400 people did not say lock up our woods, they said "Let us keep our jobs." Still the Forest Service maintains that the preservationists are speaking for the people. Still the Forest Service said that the preservationists should rule the area. Now the latest report has been made. The Forest Service has failed to give an honest report to you of what that study shows. Senator, what that report shows is that there are 2,600 responses to the Forest Service request for input as to the Panhandle Forest. Over 2,000 take the position that supports the overall recommendations of plans like that submitted by the Bonners Ferry Chamber of Commerce. Only 600 supported the preservationists' point of view. The vast number of these 600 were the Spokane doctors and another substantial part were the retired folk in the Sun Valley area as well as a smattering from Boise. There were very few from around the Nation who spoke. Yet there was a tremendous turnout from Benewah County, and a large turnout again from Boundary County.

It should be noted that Boundary County seems to be picked on for all of the pet projects for everyone. Little Boundary County is being asked to provide for the backpacker, the grizzly, the caribou, and two wilderness areas. Of course, caribou is not really an endangered specie. The agencies that got enmeshed in a little internal politics on that one and they are stuck with it. Now they are going to spend some $330,000 in order to justify their mistake. As to the grizzly bear, there is no reason for existence in this area. Though there were grizzly bears here at one time, so also were there grizzly bears at one time in the Los Angeles area. The only reason they do not plant a grizzly bear in McArthur Park in Los Angeles is because it will kill a lot of people. They are going to plant them up here because they will not kill so many people. The area where they want to have this habitat for the caribou and the grizzly bear also is the area where a lot of the people that live here can enjoy the woods. My 80-year-old mother-in-law is not up to backpacking but she can drive up into the Selkirk area and Smith Creek area and can do her huckleberrying and wander around in the woods. Once you start planting grizzly bears in the area these people will be afraid to do that. There is a simple reason for that. The reason is that grizzly bears like huckleberries, too. Why should the people in this area be prevented from enjoying the standard normal recreational pursuits merely to please somebody that thinks the grizzly bear looks cute?

Some suggestions have been made about deficit sale. There is no such thing as a deficit sale. Naturally the preservationists would like to say that since the Government is not getting back dollar for dollar for the cost of road construction, that it is a deficit sale. Other people use those roads as well. People use them for recreational purposes. It is because the Government feels these people should be provided these services by their Government that the cost is not there. The cost could easily be picked up charging the backpackers for using Forest Service roads to get to where they are going to hike; and to charge other people for using the roads to get into and passing through a forest area. I think this is a service the the Government can well afford for its citizens so that they can enjoy some recreation at a minimum expense. In fact the Government in this instance should be thanked for finding a way of getting the roads build at minimal expense for the benefit of the general public.

Caribou would be welcome in our community. The people here know that they and the caribou can live side by side. But we cannot live with the caribou under the unnecessary constraints and regulations that the uncontrolled biologists think up. The caribou could get along with the people just fine. It is not necessary to keep people out of the area. The fact that we have had no caribou in our area in the last 30 years does not mean that we would object to them coming in. However, they should be brought in under the same conditions besetting any other wild animal. They are on their own, to live on their own. And they must find a way to live with the people. There should be no logging constraints whatsoever imposed simply because of the fact that there are caribou being transplanted. In this regard, it should be noted and it should be made public that there is no way that they can save the band that was originally here. That band is in Canada and it is down to 28 in number. The only way they can make it grow is by bringing caribou from another herd that is 100 or more miles north of us. This other herd is of a different species than this particular type of caribou. Both are woodland caribou, but there are genetic differences. Therefore, once you bring in the caribou from another herd and mix with them, you are terminating the existence of this herd. Hence, it is error for the Forest Service or the Fish and Wildlife people to suggest they could save the herd by bringing in another distinct caribou to save this small herd.

Senator McCLURE. Thank you, Mr. Wilson.

Mr. Musselman.

STATEMENT OF LEO MUSSELMAN

Mr. MUSSELMAN. My name is Leo Musselman. I reside at 365 128th Street, Orofino, ID. I am presently serving as the vice president of the Associated Logging Contractors of Idaho, Inc.

The Associated Logging Contractors of Idaho, Inc., appreciates this opportunity to participate in this important field hearing on forest planning and its related impacts. Our association has 515 Idaho logging and forest road building contracting companies. When combined with their employees, the work force of these companies comprises a sizable segment of Idaho's wood products industry.

The forest planning process has been, and continues to be, a gigantic effort by the U.S. Forest Service and all of us who have become involved. Additionally, it has been a major cost to us. We have incurred this large cost because we visualized this as an investment in the future of Idaho's logging and forest road building industry. This future now seems very poor to us. We are extremely disappointed! We can summarize the results of the forest planning process in Idaho to our industry in one word—disaster.

Initially, when the forest planning process was mandated, we saw the process to be the solution to one of Idaho's major problem areas. That is the poor timber management of the roughly 9 million acres of commerical forest land owned by our Federal Government and controlled by the U.S. Forest Service. This massive commercial forest land acreage constitutes over two-thirds of all of Idaho's commercial forest land. To analyze why the U.S. Forest Service's timber management has been poor results in a series of reasons and excuses which are as long as a fellow's arm and even stretches his leg. Some of this must be attributed to Congress. Representatives simply have failed to appropriately fund and supervise the U.S. Forest Service.

In the old days, the Forest Service was perceived as a Federal agency who protected these vast forest lands while it managed the land for the greatest good for the greatest number of people. Today, the forest planning process has resulted in U.S. Forest Service nonelected politicians trying to provide all goods for all people. Everybody gets something and no one gets enough! Sound management of these vast Federal forest lands is allowed only when politically acceptable to these nonelected U.S. Forest Service politicians! Excellent examples of this exist in the recent past and present U.S. Forest Service timber management policy results. During the 1967 to 1970 period of time, Idaho's national forests produced an average timber sale output of over 1 billion board feet annually. Simultaneously, Idaho's national forest land, not dedicated to wilderness or other special classification, grew trees at the rate of about 1½ times this timber sale quantity. Ironically, these same forests maintained this growth in spite of massive mortality to its timber from fire, insects, diseases, and old age. Obviously, the over 1 billion timber sale program average for this 1967 to 1970 period was well below Idaho's national forests biological potential for a long-term sustained yield. In spite of this immense shortfall in the timber sale program compared to the potential, a surprising reduction in the average annual timber sale program has resulted, since that time.

Today, the draft forest plans for the Salmon, Challis, Sawtooth, Boise, Payette, Nez Perce, Clearwater, and Panhandle National Forests identify an annual sale quantity of about 70 million board feet annually. We project a need for slightly over 1 billion board feet from these same forests. To Idaho's timber industry, this can be conservatively estimated to be 2,530 jobs—about 8.5 direct jobs per million board feet, according to State of Idaho employment figures. Idaho's secondary work force can be estimated to be affected by an additional 5,060 jobs—about an average of 2 jobs per direct job. In some cases, these jobs are revitalized from recent employment losses. However, a majority of these jobs are simply a continuation of existing jobs which resulted from excessive timber volumes harvested from Idaho's private forest lands—22 percent of Idaho's commercial forest land base.

This excess timber harvesting has been, and continues to be, a cumulative effect of the very low timber sale outputs from Idaho's national forests coupled with the high prices of much of this national forest timber for the past 5 years. This obvious lack of response by our national forests politicians/managers to Idaho's timber demands for volume and equitable stumpage prices is considered to be gross mismanagement. The fact that Idaho's national forests supply capability was substantially more than this demand on each national forest only confuses the Forest Service's response even further. As we see it, the current proposed forest plans for Idaho not only perpetuate this gross mismanagement, but also allow the situation to deteriorate even further.

One very good cause of the very low planned timber output from Idaho's national forest is the very severe limitations the Forest Service has placed upon its commercial forest land base. We calculate that for the eight national forests in Idaho who have not finalized their forest plans—Salmon, Challis, Sawtooth, Boise, Payette, Nez Perce, Clearwater, and Panhandle—that an additional 2,473,923 acres of commercial forest land have been proposed for classification as unsuitable or unavailable since the last management plans. If finalized as proposed, Idaho's commercial forest land for timber management will shrink from almost 9 million acres to less than 7 million acres on national forest lands. This is a very drastic loss when one recognizes that Idaho's total commercial forest land base is about 13 million acres. The cumulative economic impacts from Idaho's loss of this commercial forest land base are immense. When combined with proper timber management, a virtual wealth of a renewable natural resource is proposed to be wasted. Idaho's economy certainly cannot afford this gigantic waste. The continued existence of our members, as mainstays in Idaho's employment and economics, depends upon solving this serious waste problem.

We believe the very fiber of Idaho's forested land economy is at the heart of this issue. We are not asking for anything illegal. We support sound multiple-use management of our national forests. We recognize that this request for an additional 298 million board feet is large. However, it is not unreasonable and is environmentally sound. The forests could greatly exceed this large need, and still meet or exceed all required multiple-use outputs. They propose not to select these higher allowable timber sale quantities due to their discretionary constraints and restraints, not legal mandates. The impacts are unacceptable. Alternatives must be found. We must demand that the proposed plans be altered to accommodate all of our overwhelming needs for timber supplies now and in the future.

To change the course of the planning process and make it more responsive to the local needs of industry, dependent communities, and to the national timber objectives established by Congress in the RPA program, it will be necessary to make the Forest Service reassess its interpretation of the National Forest Management Act. Given the growing dependence of Idaho's timber industry on Federal timber supply, it is no exaggeration to say that the future of the social and economic stability of Idaho's communities is in the Forest Service's hands.

Senator McClure. Thank you.

Mr. Sims.

STATEMENT OF HAROLD SIMS

Mr. SIMS. My name is Harold Sims, I am a lifelong resident of Boundary County. I am now, and have been for about 12 years, mayor of the city of Bonners Ferry. I have served as president of the Association of Idaho Cities [AIC] and other positions of responsibility. It is with this background that I express grave concern of the economic impact and other effects on our community because of the proposed Forest Service plan.

COMMUNITY DEPENDENCE AND LACK OF ALTERNATIVES

Our community—county—has historically been dependent on the renewable resources of the national forest for its income. There is no substitute industry to replace this dependancy in spite of past and continuing efforts to find a replacement. We do not have the major salable recreational activities that exist in the surrounding communities—70 percent of our land is owned by governmental entities. This land is the basis of our economy. We ask that they be professionally managed to produce the products they effectively grow. We ask that the forest plan go back to the available volumes of the past, rather than those projected in the plan. Our economy has been poor and past few years and any plan that sustains those reduced volumes, dooms our community to despair.

DIRECT ECONOMIC IMPACT

The dollar effects is very dramatic! The combined payroll of the mills in our county is approximately $8 million annually. In addition, the mills pay the gypo logger for logging and for log purchases. This amounted to over $11 million last year for just one mill.

The sawmills purchase from our city owned electric utility over 458,000 dollars' worth of electricity per year, which is 25 percent of our total sales! To replace the money that goes into our city general fund—if the sawmill load disappeared—would require increasing city taxes by $23,000 per year.

The forest receipts are a very large share of the funding for our schools and our roads.

Indirect economic losses would multiply the direct losses by five to seven times!

WILDERNESS AND ROADLESS AREAS

Why does the Forest Service plan call for wilderness for the Selkirk Crest? There are no problems with the present management plan between the State of Idaho and the Forest Service. Why exclude all of the existing uses in the Selkirk Crest to benefit a select few individuals? Once that area gets wilderness classifications, the adjacent State and Federal lands will be under increasing pressure to modify their uses to blend better with the protection of the wilderness area. This is a problem when you consider that the Selkirk Crest spans almost the entire county from the south end to near the Canadian border.

Present roadless areas are sufficient and are not being used to capacity. The land restricted for grizzly bear, caribou, roadless, primitive, recreation, and future plans has removed vast amounts of possible timber area. The forest plan shows only 18 percent of the Federal land is to be managed with the primary purpose of timber harvest.

We ask that the roadless areas be managed for public use. The glaring omission from the plan is Long Canyon. Long Canyon should be managed for multiple use as the ground dictates—that is, ground best suited for game management, logging, recreation as well as ground restricted to roadless. It is critical that Long Canyon be included in the forest base; let's go back to the purpose for which the national forests were intended—for all the uses where possible, not just for single use.

FIRE—ITS ROLE IN WILDERNESS AND POTENTIAL TO BOUNDARY COUNTY

Apparently the Forest Service is heading toward not controlling the fires in wilderness. This is a threat to the adjacent areas and Boundary County does not need unnecessary fires destroying the forests and further threatening the livelihood and the well-being of our citizens. The woods should be protected from fires!

PROGRESS FOR CHANGE IN THE FOREST PLAN

We have been working over 2 years to get the Forest Service to make significant change in the plan, that is, to increase the allowable sale to at least an average 45 million board feet per year, but the only change that appears is minor and cosmetic, and ignores our community dependancy on the forest products. The land is also used for recreational purposes, berry picking, wood gathering, hunting and fishing, and so on. We depend on the forest land for our lifestyle and our economic well-being. It is imperative for the annual allowable sale to be at least 45 million board feet per year to accomplish this. The past has not raped and pillaged the natural resources nor are we asking for the rape and pillage of those resources. There is evidence that the local forests can easily produce that volume of the past without being detrimental to the land or the environment.

We ask particularly that the base lands the volumes are taken from be increased.

We depend on the forest and forest is well suited for timber production.

Thank you for your consideration of my plea.

Senator McClure. Thank you very much, gentlemen.

You've touched on the wilderness issue, and that's not really why we are here today. I don't criticize you for mentioning it, because it's part of the total picture. The only reason I mention that is, you also have a target for timber harvest. And we're not looking just at technical decisions; we are also looking at political decisions.

Would you be willing, or would you support a plan that allowed the Long Canyon to be set aside but also up the annual harvest to 45 million board feet?

Mr. Sims. I think if the Forest Service could obtain 45 million feet without overcutting other areas and doing a good and proper job of management, that we can wait a while on Long Canyon, although I am sincere in thinking it should be managed because with timber dying——

Senator McCLURE. I understand that. I was really in some respects asking you which form of suicide you would prefer.

Peter, do you want to respond?

Mr. WILSON. Do you want me to respond to the same question?

Senator McCLURE. Yes.

Mr. WILSON. Senator, I think the mayor has answered that very appropriately. If the plan could provide us with sufficient logs to maintain our economic livelihood, then we don't care where it comes from as long as they use good forest practices. And that's our concern when you look at the way they are breaking this down into caribou, grizzly bear and wilderness and the like, they are leaving too much of a burden for the timber harvest on too small an area.

Mr. CRAIG. Thank you very much for your testimony.

Ray, I was interested in your testimony and pleased by it in that I found you thought that recreation and timber harvests were to compatible activities on our public lands. Do I understand you correctly?

Mr. MILLER. Yes; I think most of the people in the city of Sandpoint and surrounding area are appreciative of the fact that a great deal of the recreation in the forest is brought about by the timber industry. When we go to our favorite lake to fish, we drive on a logging road. And most of the people in the town have their livelihood directly or indirectly connected with timber, and there has never in our area been that much of a battle between either/or situations. I think they are very compatible together, can exist very well.

The only thing our input is, that we are trying to generate interest in people coming to the area and provide them things like Lake Pend Oreille, the festival at Sandpoint, and there is some hiking and fishing and camping you can do also.

Mr. CRAIG. My being aware of Sandpoint over a good number of years, I watched it change and grow and diversify with a greater emphasis for recreation as it would appear. So I am pleased to hear you say what you said.

What part of the economy do you recognize of that community, not the county but the community, that still resides with the forest products industry? I mean with the growth you've experienced, and you've experienced some that's quite noticeable, does the industry still play a dominant role in the community?

Mr. MILLER. Most definitely; I would say well over 50 percent if not closer to 70 percent.

Mr. CRAIG. So, in other words, you are suggesting we attempt to sustain the forest products industry while at the same time you would expect growth and expansion in the recreational industry and other industries?

Mr. MILLER. Yes; to us that's no problem.

Mr. CRAIG. Leo, I appreciate your testimony, and I appreciate the figures you offered, the multiplier effect that a lot of people don't recognize. We oftentimes hear: well, you have to change, change is inevitable. You may lose a couple, three, four mills. And most people we hear that from look only at the actual job loss at the mill or the job loss at the mill plus the logger in the woods, and they don't multiply. One of the interesting things we're finding now in some of the research being done on the agricultural crisis nationwide is that everybody is counting farmers. How many farmers are out today. First it's 1 year ago versus 3 years ago. All of a sudden in the last couple of months they start saying, gee, a good many farmers are still farming, they are having difficulty and, in fact, they are very close to losing their operation. But they quit buying 2 years ago, and the communities they supported are dying or are dead. And so the hardware store is closed and the implement shop is closed. You know, operations like you have, Mayor Sims. Those are the ones that are gone today. Somebody forgot to count them. They were only looking at the farmers. And I have the strange feeling that when we are only counting loggers or mill workers and the impact their loss will have, we forget to count what's going to happen to the dry goods store and grocery store and hardware store on Main Street in Sandpoint and Bonners Ferry. Somebody has failed to count them in the figures. Thank you, Leo, for counting them, because it's very, very critical in the process. And thank you for your testimony. It was extremely valuable.

Senator McClure. Mr. Stensgar and Mr. Abraham, come forward please.

STATEMENTS OF:

RAYMOND ABRAHAM, CHIEF, KOOTENAI TRIBE OF IDAHO

RON ABRAHAM, CHAIRMAN, KOOTENAI TRIBAL COUNCIL

ERNEST STENSGAR, CHAIRMAN, COEUR D'ALENE INDIAN TRIBE

Mr. Raymond Abraham. No; we are both from the Kootenai Tribe. Mr. Stensgar is with the Coeur d'Alene Tribe.

My name is Raymond Abraham, and I am chief of the Kootenai Tribe of Idaho. And I've been asked to come here and speak on behalf of my people concerning the Forest Service plan. And as I understand it, I have to look at every alternative there is in order to assure my people that their rights are being protected within the aboriginal territory of the Kootenai people. And I have no objection—the people have no objection to more logging, but the main thing is that there has to be some type of a plan put into operation to make sure that our food supply is kept which, I mean, the grizzly bears, the elk, and there are other types of food that we use to subsist on. If there is going to be additional logging within the area, I would just like to see that our food supply is kept up.

And we feel that recreation is going to be a big part of north Idaho, and there has to be some type of a plan initiated also to where when you are driving down the highway, and you don't look off to the side of the road and you see clearcuts, because the Forest Service has to do something in order to protect the beauty of north Idaho as well as the rights of my people.

That's all I have to say.

Senator McClure. Do you have something you would like to add? State your name for the record.

Mr. Ron Abraham. My name is Ron Abraham. I am the chairman of the Kootenai Tribal Council.

To add a little bit of what Raymond said under the food supply, there is also gathering areas, we gather huckleberries. Well, when the Forest Service plan is talking about putting in twice as many roads as there are now, you block off roads, that restricts us from getting into our gathering areas, from entering into our hunting grounds. That's one of the concerns that I have.

Recreation, again as Raymond said, it will be a big part. The Kootenai Tribe is building a motel along the Kootenai River there, and that is a part of a plan, it's for recreation within Boundary County. And when you block off these roads—one of the best things to do on a Sunday afternoon is drive up in these mountains, and you've got some of the most beautiful country. But when you turn around and block off the roads, you can't get into them, that will hurt not only the Kootenai Tribe but Boundary County itself. And again, like Raymond said, when you are going down the road and all of a sudden you see big clearcuts—one of the examples is heading north and just getting into Bonners, between Naples and Bonners, you go down to the bottom of the hill there, right on the left side of the road there is a big clearcut right there. Those are the kinds of things that hurt the beauty, the natural beauty of the whole area. Those are the kinds of things that I would, you know, not like to see. Thank you.

Senator McCLURE. Thank you both.

Let me ask just a couple of questions. If I understand you correctly, you would not object if the forest timber harvest is maintained at the levels it's been maintained in recent years even though more roads might be built in order to do that. Am I correct?

Mr. RAYMOND ABRAHAM. Yes; we don't have any objection to more roads being put in. Our objection is that roads today have already been cut off. There are a lot of berry gathering sites within the Kaniksu National Forest, and we don't have access to those berry picking sites any more because the roads have already been closed. And there are oldtimers that need to get up in there to pick. And now they can't be walking 10 miles in order to get to a picking site. And that's my concern.

Senator McCLURE. You aren't concerned about being able to continue to use the roads than you would be in stopping the construction of any additional ones?

Mr. RAYMOND ABRAHAM. That's right. And I understand that they need more jobs up there for the logging industry. I understand that, and my people are willing to live with that. But it's just that we have to be assured that our hunting, gathering, and religious sites are not disturbed.

Senator McCLURE. I assume you heard the discussion about the possibility to enhance big game populations by the manipulation of vegetation?

Mr. RAYMOND ABRAHAM. Yes.

Senator McCLURE. Do you favor that, or do you believe that's a bad practice?

Mr. RAYMOND ABRAHAM. I have to worry about—like I say, these wild game are what we subsist on. But we've learned to only take what we need. And to me it kind of limits people to what they can do if you are saying that one area here, that nobody can enter, because it's like a terrible habitat. And I see that as a roadblock in the original rights of my people, because if the Forest Service or people say that these are endangered species and you can't hunt them, to me that's violating my rights to hunt, because even though they are endangered species, we do take them as we need them for food. And I see that there is a need for an area to be set off for them to subsist on. But it should be limited to exactly what they think is needed and whatever can be used for logging purposes or recreational purposes, let that, you know—I have no objections to that, when that's done, but as long as there are certain areas set aside for animals.

Mr. CRAIG. I don't have any questions of the gentlemen. I do appreciate your testimony and your frankness about how you perceive the land not to be managed, and that you sense there is a great degree of compatibility with current logging practices and wildlife habitat. Do I hear you correctly on that?

Mr. RAYMOND ABRAHAM. Yes.

Mr. CRAIG. Thank you.

Senator McCLURE. Thank you both very much.

STATEMENT OF TERRY SVERDSTEN, STATE SENATOR, KOOTENAI COUNTY, ID

Senator McCLURE. We will next hear from Senator Terry Sverdsten.

Mr. SVERDSTEN. Mr. Chairman, I am Terry Sverdsten, I am a logger from Cataldo, and State senator representing district 2–B or Kootenai County. I appreciate this opportunity to share with you my views on timber supply from Idaho national forests.

As chairman of the senate education committee, I understand the frustrations of educators and school administrators over inadequate funding for education in Idaho. For 5 years, the Idaho Legislature has struggled to fund education while our basic industries have endured a prolonged recession.

Therefore, we regard the failure of the Forest Service to provide adequate future timber sales to be doubly serious. First, inadequate sales promise to become a limiting fact to the economy of the timber industry, which is a cornerstone of Idaho's economy.

Second, if sales are not increased, many school districts—those in forested areas—will suffer direct impact on this budget. Seven and one-half percent of the gross proceeds from each timber sale goes to fund Idaho public schools. This is a significant source of income, providing 5 to 20 percent of many district's budgets. At an average price of $50 per 1,000 board feet, the 200 million foot shortfall cited by previous witnesses would generate $750,000 per year, if it were sold. I assure you, this money is badly needed by our schools.

We simply must recognize that our forests must be used to provide an adequate, sustained, and steady flow of timber. I am an avid, mostly successful, elk hunter, having bagged my elk 28 out of the last 30 years, and I am convinced that, through road closures and proper management, we can have timber and elk. We are very close to understanding the relationships between logging and water quality, and, again, I believe we can have both. We have 4 million acres of wilderness, and I believe every plan notes that demands for forest recreation will be totally met. All that is missing is adequate timber, and that will be devastating to our economy.

Considering the fact that all resource demands can be met with increased timber sales, an unduly low allowable sale quantity is most puzzing to me. Why not set it higher, so that Congress can appropriate each year for a sale program that matches short-term demand? If the economy is such that the full allowable sale quantity is not needed, then it simply will not be sold. But it makes no sense to constrain the sale quantity when all industries now point to increased demand.

Having been a logging contractor for over 35 years I also am aware of the need for an ongoing working forest plan unhindered by unnecessary stalls by preservationists. I see daily the effects of closures in timber stands, wasting that stand to bugs or fire if they are not managed properly. I see the wasted time of Government employees who are forced to manage the land for special interest groups, rather than a management plan that results in good forest and land management.

Mr. Chairman, the Forest Service is making important choices regarding Idaho's future. We believe they are failing to recognize that inadequate timber spells the demise of a portion of our industry, with all the attendant, adverse economic impacts. Therefore, we are very glad that your subcommittee is looking into this matter, and we urge you and the Forest Service to rethink the proposed, insufficient allowable sale quantities.

As a logger and sportsman, and now a legislator I have a very keen grassroots feeling for proper use of our national forest land. As a result of this experience, I stand ready to answer further questions now or to assist in any future dialog that may be helpful in solving this great dilemma.

Thank you for the opportunity to testify.

Mr. CRAIG. Thank you very much, Senator. We are pleased to have you before the committee and appreciate your input. As you said, you are not only a logger but a State legislator, and look at this from a much broader base.

Let me ask you a couple of questions, Terry. We have heard testimony today from school superintendents and county commissioners as to the shortfall that would occur in available revenues from timber sales. What can the State do, in your opinion as a State legislator? Have State officials talked about offsetting this money in some way?

Mr. SVERDSTEN. The latest recommendation that I helped propose with our Lieutenant Governor Leroy was in hopes of securing a broader base of State land if the Federal Government is not going to harvest timber off of those high-yield forest lands. And even if we go back to the Admissions Act and look at the amount of land that was given Idaho at that time, if the Federal Government is not going to give the State an adequate amount of money for the land base that it holds, then I suggest that some of that land be turned over to the State of Idaho for its management. That would be one solution. But it is my opinion at the present time the Federal Government is not paying its fair share of the money to the State considering the land base that it does hold.

Mr. Craig. If that were possible, if you could get some of the Federal land transferred to State management and State ownership, you are still caught under the circumstance, are you not, of risking overcut on State lands beyond their State yield to try to offset revenue loss?

Mr. Sverdsten. Well, Congressman Craig, that is a potential, there is no question about it. However, we still have to try and use good forest management whether it be State or Federal timberland. And when I see the large stands of timber that are not being harvested even though they are dying from diseases or other problems, and yet it takes, what, from 5 to 7 years to set up a timber sale now; and if it's a diseased stand, it's too late to harvest that timber. So, we're not harvesting all the timber right now that should be harvested just to maintain a healthy stand of timber. And so I think under good forest management this can be achieved from the Federal timber base.

Mr. Craig. One of the concerns that is clearly expressed and comes forth in the plans is maintenance of water quality. And I know the State legislature attempted to address that question last year, and you did speak to it in legislation that was ultimately vetoed. Can you tell me something about that and the concern, because, obviously, these plans are, in part, driven by water quality concerns.

Mr. Sverdsten. Yes; well, Congressman Craig, I was very displeased that the House bill 711 was vetoed. And, of course, now the water quality in relationship to timber sales were placed with the Department of Health and Welfare. One of the problems that you have, and the Forest Service has had this problem, the Department of Health and Welfare will look at the proposed timber cuts, and they will suggest that this is a problem area. But there aren't any solutions there within the Department of Health and Welfare. They don't understand timber harvests or forest management. If that had been left with the Department of Lands where they have foresters on their staff, then I think a satisfactory solution could have been reached. So, I was most disappointed that it was vetoed.

Mr. Craig. In other words, what we saw happen was that water quality was driven by EPA and Idaho Health and Welfare. Now their standards are dictating, in essence, to the Forest Service how practices will occur and levels of harvest based on water quality on some of these lands.

Mr. Sverdsten. Yes; that's basically——

Mr. Craig. And those are reflected in the plans, are they not?

Mr. Sverdsten. Yes; basically true. I have a study that was given by the Soil Conservation District a few years ago, and this study indicated that on national forest lands on clearcut areas, they were losing about 60 pounds of soil per year on an average. If you relate that to farming where they are losing between 2,500 and 5,000 pounds of soil per acre per year, then I think really we have not the serious problem on the national forest lands that it has been augmented to be.

Mr. Craig. Of course, you have a difficulty when you have some people who don't want to see one granule of soil removed. Then they always ignore Mother Nature in her most violent forms every spring at run-off time, and they say that's only natural.

Mr. SVERDSTEN. Yes; well, according to Senator Little from down in Emmett, in his research, talking about water quality in the streams and the harvesting of fish, that there are more problems with water temperatures by far than there are in ruining the beds for spawning, that type of thing. He has several streams that he likes to take people to where there has been problems with damage from floods and other reasons; and yet the spawning is at a lower level in those streams than it is in some that have never been injured by any type of erosion problems.

Mr. CRAIG. Thank you very much, senator. We appreciate your being here.

Senator MCCLURE. Senator, let me ask you this question, because if I recall—have you had the opportunity to look at all the forest plans developed through Idaho?

Mr. SVERDSTEN. Senator McClure, I'm like everyone else, we have a very limited staff in the State legislature as you know, and I have briefed the forest plans but certainly not in great depth.

Senator MCCLURE. My recollection is—I know we will have one more panel of witnesses, and perhaps they will be able to answer the question.

As I recall, on some of the forest plans, the water quality standards followed in the development of the forest plan exceeds that of any State requirement.

Mr. SVERDSTEN. Yes; that is correct.

Senator MCCLURE. So it isn't simply a question that the Idaho State Health Department has made requirements; although they are higher than was suggested by some, they are not as high even as that which has been applied by the Forest Service.

Mr. SVERDSTEN. Yes; that is right.

Senator MCCLURE. I don't know how to talk to an elk hunter that's been successful 28 out of the last 30 years. I am assuming he is being totally honest.

Mr. SVERDSTEN. Senator, I like to know my integrity is on the line. But I thought that might be getting your attention anyway.

Senator MCCLURE. Well, it did. Obviously, I am jealous.

You expressed the opinion in your statement that elk harvest can be maintained through appropriate management and appropriate road closure, that road closure is a part of appropriate management.

Mr. SVERDSTEN. Yes; that is correct.

Senator MCCLURE. How would you apply that with respect to old roads and new roads, or would you make a distinction between the two?

Mr. SVERDSTEN. Senator McClure, there has to be a distinction between the two. And, of course, as our timber sale program and recreation use of roads changes, some roads become obsolete and are naturally closed off. Other roads are for basically timber harvest, and, of course, those roads are spaced 400, 500, or 600 feet up and down the hillside, and there is no need to leave those roads open for easy access to hunters. And so it has to be an ongoing balance. But I do not see a problem between the forest products industry, between the Forest Service and the Fish and Game in closing those roads that overaccess an area. That can be an ongoing program.

Senator McClure. State statute requires that roads under the supervision of the county, that is, those not under the supervision of the State highway department or a local highway district, that if they wish to close a road that's been in use for a period of time, they must hold a public hearing after public notice. Would you think that's an appropriate way to deal with questions on the national forest lands?

Mr. Sverdsten. In some cases I suppose if they are roads that are accessing on, say, a particular public property. However, if you are talking about roads on private property, then I think talking to the landowner and adjacent landowner should be sufficient and also with the Fish and Game people who are concerned about the elk habitat. I believe a lot of times in some cases it can be lost by having an overabundance of hearings, when really those issues can be solved with a good management plan.

Senator McClure. Thank you very much for your statement.

We will take a short recess at this time.

[A brief recess was taken.]

STATEMENTS OF:

BILL MORDEN, SUPERVISOR, PANHANDLE NATIONAL FORESTS

BOB BUTLER, FOREST PLANNER, PANHANDLE NATIONAL FORESTS

Senator McClure. The meeting will come to order. We have one more panel to be heard, Bill Morden and Bob Butler, forest supervisor and forest planner, Panhandle National Forest.

Gentlemen, after hearing your results of your labors being discussed all day, it's your turn.

STATEMENT OF BILL MORDEN

Mr. Morden. I am Bill Morden, supervisor of the Idaho Panhandle National Forests. I am pleased to be able to address the committee on these issues, so important to northern Idaho. With me today is Bob Butler, planning staff officer on the forest.

The Idaho Panhandle National Forests are located in the northern portion of the State of Idaho, with some adjacent lands in Montana and Washington.

In 1973, portions of the St. Joe, Kaniksu, and Coeur d'Alene National Forests were combined to form an administrative unit called the Idaho Panhandle National Forests [IPNF].

The forests occupy nearly 2.5 million acres and are situated primarily within the five northern counties of Idaho: Benewah, Bonner, Boundary, Kootenai, and Shoshone. Portions of the forests are located in Latah and Clearwater Counties in Idaho, Sanders and Lincoln Counties in Montana, and Pend Oreille County in Washington.

There are 36 communities and 3 Indian tribes within or adjacent to the forests with an approximate population of 120,000 people. Coeur d'Alene is the largest city with over 20,000 people. Though Spokane, WA, is not located within the forest area, its close proximity, and population of 340,000 in the metropolitan area, contribute to the effects and demands on the forests' natural resources.

Major industries in the Panhandle area of Idaho are wood products, mining, and recreation. These industries contribute substantially to the economy of the area. For example, in 1980, national forest receipts were over $14 million with 25 percent of that returned to the counties. In that same year, an estimated 4,900 jobs were associated with Idaho Panhandle National Forests management and production. The employment generated $103 million in personal income, 20 percent of the total employment and income in the area.

Sixty percent of the employment and income generated by the forests is associated with harvesting, hauling, and manufacturing of timber products. Approximately 24 percent of the remaining employment and income generated by the forests is associated with dispersed, developed, and wildlife-related recreation.

The Idaho Panhandle National Forests have sold an annual average of 260 million board feet of timber over the last 15 years, and has averaged 1.7 million recreation visitor days per year during that same period of time. Different needs from the forest has generated conflicting ideas about national forest management. The differences have generated seven major issues on the forests as a focus for the forest plan. These include fisheries and wildlife, water quality, recreation, roadless areas and wilderness, roads, timber supply, and community stability. All of the issues are interrelated, and this is especially true in the case of community stability. It has become one of the major issues of the planning effort.

Within the requirements of the National Environmental Policy Act and the National Forest Management Act and their regulations, our overall goal in forest planning is to meet the needs of people within the capability of the land to accommodate those needs. In doing this, we are attempting to provide a balanced resource management program that is acceptable to the people we serve and is workable when we implement it on the ground.

The Idaho Panhandle National Forests play an important role in the economy of northern Idaho. Several communities are dependent upon timber from the national forests to provide jobs for their citizens and revenue for roads and schools. Other segments of the economy rely on tourism, which is closely related to other resource objectives such as wilderness, wildlife, fisheries, and recreation. All depend on production of clean, abundant water from the national forests.

In order to continue the forests' timber contribution to community stability, the harvest levels will be established using an assessment of demand based on offered, sold, and cut volumes. At the same time, we are trying to maintain a balanced program of recreation, wilderness, wildlife, and fisheries outputs to support those segments of the economy, and forest users, who rely on these resources.

The draft planning documents were made available to the public for review and comment in April 1985. The formal comment period was extended to September 1, 1985. There has been continued involvement with interested people since then. During this past winter a series of problem solving meetings were held in a continuing attempt to resolve some of the issues. The meetings were sponsored by local community people and included people with a variety of interests in the national forests. Also, timber industry and Idaho Fish and Game people met to develop an agreement which we think will be helpful to our management.

We have spent the last several months analyzing the comments and recommendations and formulating potential management options to provide a recommended forest plan for the regional forester. The Secretary of Agriculture has asked for a cumulative assessment of the timber supply situation in Idaho prior to releasing any additional forest plans in Idaho. Our plan will not be issued until the assessment is submitted to the Secretary of Agriculture. It is anticipated the assessment will be completed in February.

We received over 2,500 public responses to forest management proposals made in the plan. Roughly 2,300 responses came from individuals, 182 from various organizations, 7 from elected public officials, and 21 from local, State, and Federal Government agencies. Five citizen working groups, whose members had a broad variety of opinions about forest management, also responded to the plan.

Although responses came from all over the country, the bulk originated from Idaho and Washington State residents. A major portion of these responses came from St. Maries, Spokane, and Bonners Ferry. We were pleased with the amount of time and effort spent by these people, and feel the plan will be better because of them.

The seven major issues identified in the forest planning effort received a great amount of public attention during the public review period. The issues of timber harvest volumes and roadless or wilderness land use questions received the greatest amount of comment. People interested in more roadless and wilderness allocations recommended the lower harvest volumes. People interested in community stability recommended the higher volumes.

We have used the processes required by the National Environmental Policy Act and the National Forest Management Act to develop a proposal for managing the resources of the Idaho Panhandle National Forest for the benefit of the people we serve.

In order to make this a workable plan, we spent extra effort in two major areas.

First, we ground truthed our proposed plan to see if it would work on the ground. In this effort, we spent many months at the ranger district level, checking both our assumptions and analysis results. We did this with the goal of maintaining a strong timber program while upholding our responsibilities for maintaining the integrity of all resource values. The results indicate that the annual timber volume offered could average around 275 million board feet per year over the next decade and we could meet our responsibilities for other resource values as well as community stability.

Second, we wanted to work with the people who use the forest and are concerned about our management. We needed to know what they think we should value on the forest. We also wanted to see if discussions could be facilitated, seeking solutions where there are differences.

We feel we have gained a great deal from these efforts and will have a plan that comes closer to meeting the needs of people. I am truly grateful for the hard work the local people put into this effort.

There are still some unresolved issues and certainly the timber supply question is a major concern. One concern about the timber supply issue is the unresolved wilderness or roadless situation. It is imperative we have a forest plan in order to have a decision on our roadless lands. The forest plan, with its accompanying environmental impact statement, is the only avenue the Forest Service has to resolve this issue.

Many people are concerned that a plan must be perfect; that we are making ironclad decisions for a 10-year, and even 50-year period. This is not the case. The National Forest Management Act process is specifically designed to monitor our progress as we apply planning direction, and provides for adjustments in the plan as we learn more about the resources, and the social and economic effects of our management. I fully expect to make many adjustments in our plan as we proceed under its direction.

Thank you for providing me this time for testimony today.

Senator McClure. Thank you very much.

Let me start with a couple of, perhaps, general direction questions. As I commented earlier, I watched carefully with a great deal of interest as several plans across the State were being developed, and some were nearing a final stage. Others were earlier in the process. But I began to see a kind of a general pattern develop that seemed somewhat uniform and that seemed to me, then, there must be behind it either a directive from the regional forester or directive from the Washington level that kind of set the parameters of your study and the development of a plan.

The Forest Service, as most people know, is a decentralized service in part; the regional foresters have some latitude, the forest supervisors have some latitude, and the rangers on the districts have perhaps a little less latitude. Each area of the planning of the directives becomes a little more precise. But as I looked at these plans, and I saw a rather uniform output, I began looking for the elements that lay behind it that produced a rather uniform result. Part of that I suspect is imbedded in directives for Washington; part of it is directives from regional headquarters.

Were you directed at any point in the development of these plans that each ranger district should produce some wilderness?

Mr. Morden. No, sir; that was never discussed in any meeting in our organization.

Senator McClure. And it wasn't carried forward in any kind of written directive at any level of which you are aware?

Mr. Morden. Not to my knowledge.

Senator McClure. Was there anything similar to that with respect to the fact that each forest should contribute some wilderness or contain some wilderness?

Mr. Morden. No, Senator; the discussion of those kinds of requirements in terms of the planning effort never were in any room I was involved in.

Senator McClure. And yet I see throughout these plans a reflection as though that had been written somewhere or communicated somewhere.

The second question relates to the annual sales quantity level. I think you were here throughout the day——

Mr. Morden. I was.

Senator McClure [continuing]. Listening, and I commend you for that. I know that you are more than interested in what the people are saying, and you want to know. But in that process you probably heard me indicate that annual sales quantity becomes a ceiling on harvest level. That's correct, isn't it?

Mr. MORDEN. My understanding.

I should comment here that it was made keenly aware to me that you are very well versed in the terminology aspect of the changes that have taken place.

Senator MCCLURE. I am trying awfully hard to learn, and sometimes it's a painful process for me.

But if annual sales quantity becomes a ceiling, then whatever the harvest level may be, it will be below that.

Mr. MORDEN. On an average annual basis.

Senator MCCLURE. On an average annual basis?

Mr. MORDEN. Yes; but it could be above that for one particular year or half the years.

Senator MCCLURE. That is an important point to keep in mind, and I appreciate it.

Now, in the Panhandle Forest does the annual sales quantity include harvest from lands which are currently roadless?

Mr. MORDEN. Yes, sir.

Senator MCCLURE. How much?

Mr. MORDEN. Our 10-year sales schedule in our draft forest plan proposed an estimated 50 million per year if it come out of selected roadless areas.

Senator MCCLURE. Fifty million feet out of a total of how much?

Mr. MORDEN. Out of a total of 275 million.

Senator MCCLURE. Between one-fifth and one-sixth of the total?

Mr. MORDEN. That's right.

Senator MCCLURE. Do you anticipate that you will be able to carry out the sales activities in each of those roadless areas on the schedules you have in mind in the plan?

Mr. MORDEN. I would say that there will be challenges, assuming the forest plan releases the roadless area that we have suggested for release, occurs. We will then be able to confront the base that might center around such things as water quality, wildlife management or what other resource issues that may be involved. But until we get through the forest planning arena, we have no arena to work in. That's the frustration.

Senator MCCLURE. I've had some experience, and it doesn't happen to be in your district, with the difficulties that you have in moving from the wilderness discussion to the next level with any predictability. I guess I can put that the other way around. The only predictability I see is intention. And that goes even beyond just the question of whether or not you will be able to make the harvests in the areas which have been settled by a developed, accepted final plan.

We saw in the development of the Central Idaho Wilderness, Frank Church River of No Return Wilderness, we considered a number of various—or inclusions in that wilderness. And after long discussion and the compromises inevitable in those discussions, certain areas proposed for inclusion in the wilderness were by act of Congress excluded from the wilderness. And now we see the same people that proposed it for wilderness coming back and challenging any management of those areas other than roadless. A roadless is a possible designation of nonwilderness land. But there had been a congressional decision in that particular instance, and it came to the Gospel Hump area, the Gospel Buffalo Hump area, and there were specific mandates with respect to certain areas that timber harvest would continue in certain areas. We had learned a little bit from the earlier experience. And in spite of the fact that timber harvest was to continue in certain areas, no timber harvest is continuing in those areas because both the Forest Service and outside groups have said, no, we are not going to do that. I don't know how you get any kind of predictability and certainty. If Congress acts and specifically mandates things, and then people say we don't like that mandate, we won't follow it, that's partly Forest Service and partly outside groups in one instance. And in the other, without a specific direction that forest harvest continue in areas, that nevertheless they were considered by the Congress and rejected, and both the Forest Service and the outside groups again say, well, we know what the Congress did, but we don't like what Congress did, and so we won't have any harvest in those areas.

Now, if you look at that as background, is there any wonder that people really look at that percentage, whatever it may be, 16 to 20 percent of the total harvest that you project to happen on currently roadless areas, people say, I wonder if they will ever do any of that.

Now if, as a matter of fact, that you then have projected a ceiling and an annual sales quantity that's substantially below the average of recent years, if you exclude the area when the entire industry was affected by the interest rates and the death of the housing industry in the country and start out with a ceiling that's substantially below past harvest levels throughout the Panhandle, that you will then have a much further reduction of the harvest level.

You've heard the comments from various witnesses today about the effect of even the projected harvest levels under your annual sales quantity.

Mr. MORDEN. I agree with the projected harvest levels. There are certainly no guarantees associated with that. That would be our plan to accomplish what we perceive to be at this time our share of continuing to provide for the economic stability of north Idaho and which, by the way, if carried through at the 2.75 billion foot on a decadel basis, is really a slight increase over what it's been for the last 50 years.

Senator MCCLURE. That harvest level, that is your annual sales quantity compared to harvest level.

Mr. MORDEN. Compared to sell level. Our sell level in the past 15 years has been 260 million feet a year on the average, and that could compare with a 275 million foot per year sale program, allowable sale quantity currently.

Senator MCCLURE. But if you throw out the last 5 years, what's that average?

Mr. MORDEN. Well, I don't know we could throw out any 5 years. I have it listed by year here.

Senator MCCLURE. Maybe you can provide us with a record if you have it broken out that way. I would appreciate it if you would do that. And I realize certainly you could pick any base period you wanted in order to try to achieve the results you want. I guess I kind of arbitrarily looked at the 1980-84 period as being a period in which the housing industry was completely destroyed by high interest rates. It was a very abnormal period. And I think the sales quantities would reflect that. That's also one of the reasons some people misunderstand what happens when you have overvolumes and they are not sold. You can't tell them indeed there is no current market. But if the market recovers, then you'll have more interest, and the market goes down. I know about 75 percent of the building contracting industry and home building in the State of Idaho went out of business for a period of time. And it wasn't just a modest change, it was a convulsive change. As you look at the most recent period since the decline of interest rates and an upturn in the house building or home building industries, the consumption of lumber has returned, but a lot of that is Canadian, a much higher percentage of the total. They did, historically, did have a little less than 20 percent of the total U.S. market. They are now up to 34 percent of the total U.S. market. And that additional 14 percent distorts the recent history of harvest levels on the national forest land, does it not?

Mr. MORDEN. Yes.

Senator MCCLURE. Larry.

Mr. CRAIG. Thank you very much, Mr. Chairman.

Bill, Bob, thank you for being here and patient with staying with us through all of this.

A couple of questions. What is the annual growth of the Panhandle that is calculated by the Forest Service?

Mr. MORDEN. I guess I need clarification of that. Based on the suitable land base of 422 million feet per year.

Mr. CRAIG. That's not everything; that's just on what would be termed as suitable for timber harvest?

Mr. MORDEN. Yes.

Mr. CRAIG. And that's how many?

Mr. MORDEN. 422 million board feet.

Mr. CRAIG. 422 million?

Mr. MORDEN. Yes.

Mr. CRAIG. And your recommendation for 275 million then is to take in all other considerations?

Mr. MORDEN. Yes; economics included.

Mr. CRAIG. Economics included?

Mr. MORDEN. Yes; the cost of access varies and so forth during this decade. Our large increase in production or yield will come about in perhaps two decades, and that will come about because of the large areas of the 1910 burn that this forest has, which is in a growing condition, growing rather rapidly, but it will not be reaching its peak of productive capability until about two decades out, at least a decade after this one. And that's when the annual allowable sale quantity goes up a little bit, quite a little bit.

Mr. CRAIG. What year was that again that you feel that triggers?

Mr. MORDEN. About two decades.

Mr. CRAIG. Two decades. So, two planting cycles from now?

Mr. MORDEN. Yes; toward the end of the second decade we'll start reaping the benefits of that.

Mr. Craig. So you're suggesting that because of that 1910 burn, the annual growth on suitable land versus your allowable cut is distorted as a result of that figure?

Mr. Morden. Yes; it's in the wrong age class distribution.

Mr. Craig. Of the 275 million board feet you have proposed, you said 50 million board feet will come from now unroaded areas. I then have to draw from that that 225 million board feet will come from current roaded areas?

Mr. Morden. Yes; from current areas that are not within the roadless area definition.

Mr. Craig. Definition?

Mr. Morden. Yes; that includes 25 million of what we call salvage material.

Mr. Craig. 25 million annually?

Mr. Morden. Yes.

Mr. Craig. Is there a risk of not being able to sustain water quality and other attributes that are necessary in the plan on these areas that are in the nonroadless or unroaded category now that you would allow cut on?

Mr. Morden. There is that danger, Congressman, and it comes about because of the calculation of the annual sale quantity, one more time. If we are going to sustain an annual yield, we ought to build it from the available land base. And if the available land base does not include the roadless areas, the contribution of 50 million feet a year as we have scheduled is not directly related to the sustained yield that would come off of that land base. So I would suspect if we are not in roadless areas, the contribution to the forest from the available roaded land base as we know it today would be something less than 200 million feet per year. That's our estimate.

Mr. Craig. That's exactly the question. It's a growing concern to me that if we anticipate a substantial majority of our cut from current roaded or at least by definition, not of the nonroaded or unroaded areas now, we risk too heavy a concentration. As a result of that, if we are going to attempt to sustain the cut as you're proposing in this plan, we would come under increasing pressure from certain interest groups who might at that point have a stronger argument of legitimacy as to water quality and wildlife habitat and all those things simply because we're moving, such as we say we're tracking one time, two times, three times over land that maybe doesn't deserve it in this decade; where other land that could clearly handle it that are in the unroaded category now could be treated with lighter effect without the environment impact. Is that a reasonable assumption?

Mr. Morden. You are right on track. That's precisely the situation.

Mr. Craig. And that's the problem I see not only in your plan but in other plans across the State. And it's the very risk we also run in not being able to produce a final plan and not being able to produce wilderness legislation, that we are asking you, if you will, to concentrate even more heavily on land in which you concentrate. And I was curious as to your answer to that, because I felt it was reflective in the plan itself. And that concerns me based on the complications that always come and that the Senator has addressed.

Let me ask you another question. In testimony today it was proposed, or at least we were told it came from your records, that there were some $2.8 million of needed—projects needed, wildlife, fisheries, water quality, recreation, trails, and trail reconstruction. Are these projects that you currently have on the books or have proposed and that are awaiting necessary funding, or are they, shall we say, the optimum of the forester's dream if the necessary money were available?

Mr. MORDEN. I would have to, I guess, look at the source of the information.

Mr. CRAIG. We were told it came from the Forest Service.

Mr. MORDEN. I guess I would have to see it.

Mr. CRAIG. Let me ask you what do you have proposed in this area?

Mr. MORDEN. I don't know what the $2.8 million is compared with or what it's talking about.

Mr. CRAIG. The only information I have in front of me is projects needed, wildlife and fisheries, $680,000, water quality, $179,000, recreation, $828,000, trails, $275,000, trails and reconstruction, $300,000. My quick adding, it came to $2.8.

Mr. MORDEN. I don't know the source of that information, unless it's a part of what is coming out of the proposed forest plan, draft.

Mr. CRAIG. Could we ask you to comment on that for the record?

Mr. MORDEN. Certainly will.

Mr. CRAIG. We would like to know that and whether that is an annual need or if that's 10-year need or a 5-year need. Where is the source, what is the source and how is it spread as it relates to what the Panhandle needs in these areas? Thank you.

Mr. Chairman, thank you very much. I see you have more questions, and I might think of more.

Senator MCCLURE. I will, obviously, not take the time to ask all the questions this afternoon partly because of time pressures and also partly because I want you to be able to give complete answers to some of the questions as we develop this record.

What is the difference between annual sales quantity as it's used today and potential yield?

Mr. MORDEN. Perhaps Bob can help me as we go along through, but allowable sales quantity is a calculation of a volume based on a definite set of definitions from the land base on which it's taken.

Did you talk about potential yield?

Senator MCCLURE. Yes.

Mr. MORDEN. Potential yield under the old timber calculations were based on three categories that you so ably described earlier, the standard, the special, and marginal component. And the allowable sales quantity, there is no longer a marginal component that's included. In fact, there's no special or standard. There is a growth off of a suitable land base as opposed to special marginal components. I guess we could kind of concur that the allowable sales quantity will be based on the same kind of land base that the old potential yield would have been based on if you take out the marginal components.

Senator MCCLURE. Is that the only thing that's been dropped out of suitable lands?

Mr. **Morden**. There are some economic questions that are brought to bear in calculating the allowable sales quantity that's not a part of the old definition.

Senator **McClure**. So the definition of suitable land has dropped out more than just the marginal lands class?

Mr. **Morden**. Yes.

Senator **McClure**. Are annual sales quantity's related to the biological productivity of the forest in timber?

Mr. **Butler**. Yes; they are.

Senator **McClure**. The are related to that, but they can also be reduced by adding into the calculation other factors that say, they may grow that much, but we don't want to cut them.

Mr. **Butler**. You would get into the economic aspect of it and the regeneration aspect of the land and other factors like that, yes.

Senator **McClure**. And other factors like elk having areas. If the elk happen to calve in an area that grows pretty good timber, you might decide that's not suitable land?

Mr. **Morden**. I don't think it's a question of suitability. You raised a good point there. It's a question of scheduling and modifying management which will have an effect on yield over time.

Senator **McClure**. You haven't removed any land for those purposes?

Mr. **Morden**. Not for that kind of a purpose, no, sir. In fact, as I think about it, there's about 89 percent of the forest that makes some contribution to development of an allowable sales quantity, and that includes all the areas that are in grizzly bear habitat, caribou habitat, even so much as to say domestic watersheds bring some contribution.

Senator **McClure**. How much has been removed from suitable lands designation because of caribou?

Mr. **Butler**. Well, we had reduced it in the draft plan. Actually, with the new research, the allowable sales quantity has been reduced only 1 percent or 4 percent, something in there.

Senator **McClure**. Would you provide an accurate figure for the record?

Mr. **Butler**. Yes.

Senator **McClure**. How much has been removed from suitable lands designation as a result of grizzly bear habitat?

Mr. **Morden**. The grizzly bear habitat has an effect of approximately 4 percent on the yield, but we'll provide a more definitive answer for the record.

Senator **McClure**. We might look, if indeed the other was as high as 4 percent on caribou and 4 percent on grizzlies, those species have reduced yields by about 8 percent?

Mr. **Butler**. No, sir; the irony of the way you calculate these things, that no one of them, unless they are independent of all other things, can be calculated that way. I say that, but it's been very difficult to express this to a number of people. If you run into another barrier first, then there is no fall down because of that particular——

Senator **McClure**. All right. And that's what the figure I am seeking is, not what fell out for other reasons that happened to be suitable for these things but what fell out because of these things.

Mr. **Butler**. OK. Only that point which is triggered by that?

Senator McClure. Yes.

What's the relationship between your suitability classification for land as compared to the old productive or commercial forest land base? Have you fully covered that with your earlier answers that primarily you dropped out marginal land, and secondarily you dropped out some additional for other reasons?

Mr. Morden. That's the essence of it, but we will cover that more thoroughly for you also.

Senator McClure. All right, if you would do that, please.

Does the National Forest Management Act direct the Forest Service to develop programs without budget constrants?

Mr. Butler. No, sir; there are budget limitations we are supposed to be looking at.

Senator McClure. So you base some of your performance goals on maintaining adequate financing or estimating what kind of financing you'll get over the next decade?

Mr. Butler. Yes.

Senator McClure. Can you provide for the record what your estimates of financing are over the next decade?

Mr. Butler. For the draft plan?

Senator McClure. Yes.

Mr. Butler. Yes; we will.

Senator McClure. Does the Forest Service have any responsibility to support local industry in the communities through its timber sale programs?

Mr. Butler. Certainly, we have a responsibility to contribute and maintain a portion, our share, whatever that share is or ought to be, and we have a good obligation toward that.

Senator McClure. I will submit for the record a number of questions with respect to how you go about measuring that and how much you have done with respect to economic analyses. I think that's really what Secretary Meyers was talking about, and that's what you are going to try to develop over the future. I don't want to put you on the defense on that or want you to be defensive about it because obviously the Secretary is asking you to take a different look. And that, I would assume, would be something different than you've done up until now. So really, I am not trying to develop a record by which I can beat you over the head. I am really trying to find out what we have done up to this point and what we will do from this point forward in response to the Secretary's directive. I think there is a difference, and I think you would admit that there is a difference.

Mr. Butler. Right.

Senator McClure. I have some other questions which I will submit for response in writing.

Mr. Craig. I have just one more, Mr. Chairman. It comes back to the Secretary's mandate for economic analysis. And I see by your testimony here you say the Secretary of Agriculture asked for an accumulative assessment of the timber supply situation in north Idaho prior to providing additional forest plans. I assume that's it, that's talking about the same thing.

Mr. Butler. Yes; I think so.

Mr. **Craig**. Could you tell us how you're approaching that? The Senator was alluding to that, and I am curious how you approach that.

Mr. **Morden**. It's my understanding, Congressman and Senator, that the information is being gathered at the Washington office level of the Forest Service by a team of people, and that each regional office is making an effort to gather some data that the Washington office is searching for, and that there is no effort that has been triggered at the local level to go out and gather anything further beyond what was done in forest planning at this stage of the game. I don't know what the perception is of the intimacy or locality or the site specific nature of the data that's being gathered. I have no way of knowing that. I assume it's statewide, more growth status that will look at the statewide effect.

Mr. **Craig**. That's what I was curious about, how they were approaching it versus sustained yield, the need of a given community on an average basis for a certain level of employment, or historic level of employment, the available cut versus that which is proposed in the plan. Conflicting additional Federal or public policy that would say certain limitations. I was just curious how you were approaching that.

Mr. **Morden**. I am really not privileged to the information.

Mr. **Craig**. The data base you assembled for making decisions as relates to this particular plan to date has at least been adequate for what they believe will be necessary for this economic analysis?

Mr. **Morden**. I am not certain if that's the case, because I don't know what efforts are going on beyond our own forest level. All I can say is that we're not involved in any efforts to go out and gather more specific data.

Senator **McClure**. Do I understand from that they haven't asked for any more information yet?

Mr. **Morden**. Not from me.

Senator **McClure**. The Congressman mentioned a moment ago a projected need, and that was attached to the statement by Mr. Bratley earlier today, and you were going to provide some information with respect to that for the record. Mr. Bratley also on another sheet attached to his testimony ran through the Panhandle National Forest budget figures. I have not compared them. But his implication was, that timber budget of $2,585,000 didn't have anything in it related to fish or wildlife values, and so on down the page.

Do you carry on your books the means by which you can separate out of a given activity that which is attributed to cutting trees and that which is attributed to protection of other values?

Mr. **Morden**. Not to the extent most people would like to see it done. We can make a separation, and we can tell—we can include how much is spent to protect wildlife values during the preparation of a timber sale program or timber sale project.

Senator **McClure**. Could you take that sheet that he attached to his testimony and provide for us some kind of an estimate with whatever limitations you have to put on it as to how much of those particular items are devoted to the protection or the enhancement of the game habitat and the enhancement of the protection of fisheries?

Mr. **Butler**. Be glad to.

Senator **McClure**. I think there is a great deal of public misunderstanding of the complexity of that process, and I don't believe, for instance, in building of forest roads that there's been any real separation out of the other social values and purposes for which roads are built and maintained.

I just made myself a little note here, and I'm not really sure I really ought to say this publicly. But I was just scratching my head wondering what would happen if a proposal were made to close access on all forest roads, to close them off unless there is an active timber harvest going on. Say people can't get in their campgrounds, they can't get in there to go hunting, they can't get in there to go berry picking, they can't get in there for a Sunday afternoon drive, they can't get in there unless they are going in to harvest trees. I wonder what the public reactions would be. That's kind of a rhetorical question, because I know what the public reaction would be. I want you to make the proposal, not me, because I am not making that proposal. I just asked myself the question as kind of an aside.

Mr. **Craig**. Mr. Chairman, I should know better than to even talk about roads nowadays. But, of course, that's been one of the concerns of ours, and I know that we struggled with that in the overall accounting process with the Forest Service. And they are talking about that now in your new accounting methods. And, you know, although the road is built by timber moneys per se, except for certain capital expenditures for roads, we tend to lay them at the foot of the sales and not at the overall use of the public. And that has been a concern of mine.

You know, it's interesting. The hunters and fishermen and general recreationalists of our State drive around on these forest roads all the time, and somehow we all forget that they were once built by timber money and are oftentimes maintained by timber money. And that is a problem I think you approached well, Senator. If we say all roads, even from this point forward, built shall be only licensed and limited roads used only for logging and closed off during certain periods, I think the human cry would be very, very loud.

Senator **McClure**. I'm going to ask one other question. It's more by way of a comment. I am not going to ask it as a question. But I don't want to make the comment without giving you the opportunity to respond if you wish.

I notice in our breakdown at my level in Washington as we tried to go through the budget and decide how much money we can make available and should make available to forest management, you just take the forest road and highway program which is divided roughly into new construction and rehabilitation and maintenance, that over one-half of the entire budget is supervision. I put that out there as one benchmark. Then look at average time for sales preparation from the time you start the sales preparation until the time you harvest the timber, which is what, 3 to 5 years, and then I look down at the French Creek fire on the Payette Forest last year, that was a roadless area, they had no sales preparation on it, and they went from the realization of the fire to the completion of the timber harvest salvage in 9 months. And I wonder, if you look at those two things, if there is some way in which we could look at administrative practices that take too long to accomplish what we accomplish as one of the major problems that we confront in resource management.

Now, you can respond if you would like today, or you can respond if you would like in writing, or you don't have to respond at all if you don't like.

Mr. **Morden**. Well, I think there are many people who would agree with you in this room, and out of this room, and there would be many that would like to explain why the costs are so high on routine types of operations. We go back since the sixties and early seventies and on into the eighties now, I think that the National Forest Service system has approximately 15 new laws laid on it in one form or another that weren't around when these old TM plants that we were talking about here today were out and alive and operating. And we evolved to the point that each year we would bring to the natural resource base some new requirement to be concerned about. And as we go through time, and we bring these new things on the scene, we build them into our routine repertoire of building programs, and we go back and retract. And just like the forest planning effort, we have been involved in this on the ground since 1979. We are over halfway through the first planning period, and we haven't got a plan. And those are the kinds of things that we routinely fall into spending lots of bucks on. Emergency things are always neat and fun. And salvage operations and a large fire are probably some of the easiest things we can do in terms of persuading public sentiment to go along in a particular direction. It's extremely difficult to do on a site-by-site routine basis.

Mr. **Craig**. In other words, you get a chance to close one eye.

Mr. **Morden**. I didn't mean to orate.

Senator **McClure**. I suppose one of the real reasons it's harder in the routine is, you're much more likely to have a very vigorous review in the courts on the routine than you will on the emergencies.

Now that French Creek sale, the courts permitted it to go ahead in spite of the fact it was challenged. And as has been pointed out, after the fact after the 9-month process from beginning to end, you go back in there, and there is no adverse environmental effects as a result of that salvage sale. Nobody can point to any. If that had been a routine sale, we would still be bogged down in the first review. And now it's been completed.

But that timber provided jobs, provided supplies, provided inventory down to the homebuilders, and it provided an economic stimulant to an area that badly, badly needed it.

I guess we will not solve that today or even in this review, but I do think it's worth noting as you did, that you've been involved in this process to get to this end, and this is the substitute for RARE II, which was the continuation of RARE I, which was the beginning of the process 20 years ago. And I guess part of the reason people are worried about the outcome is that this is a 10-year cycle now, and as you pointed out, we are halfway through what was to be a 10-year cycle, and we haven't even begun. You've done a lot of work, but we haven't done much else.

Thank you, gentlemen.

ADDITIONAL COMMITTEE QUESTIONS

The questions to which I referred to earlier and the additional material from Mr. Morden will be inserted in the record at this point.

[The information follows:]

Rt. 2-116
St. Maries, Idaho
83861
May 1, 1986

Mr. William Morden, Supervisor
Idaho Panhandle National Forest
1201 Ironwood Drive
Coeur d'Alene, Idaho
83814

LETTER OF TRANSMITTAL:
Response for the
Area-Wide Extended
Public Involvement
Group; Dolly Hartman,
Volunteer, Public
Involvement Coordinator

Dear Mr. Morden:

Little did I know when I accepted responsibility from St. Maries District Ranger-Harold Wadley (October 1985) to become the Community Involvement Coordinator for Public Input into the Idaho Panhandle National Forests Forest Plan for the St. Maries District, that personal commitment to a meaningful public input which would be tailored to meet the needs of the 'people' rather than 'process' would or could expand to include folks from the six northern counties in Idaho and Eastern Washington! The public input process carried out in St. Maries, by citizens, in cooperation with the Forest Service Supervisor's Office and St. Maries Ranger District provided the 'roots' for development of the Area-Wide Extended Public Involvement Group.

This letter transmits to you and the Planning Team not only the good faith effort and products of that effort but collective direction from folks of greatly divurgent views who sat down together and sought solutions to management problems of our natural resources in the Idaho Panhandle National Forests. I believe I speak for a majority of those folks when I state that it is understood that the process was one of refinement of what took place last summer. The exception, of course, was the opportunity for public input on the agreement between Idaho Fish and Game and the Timber Industry. A thanks to Mr. Kris Moser, Area Supervisor of Idaho Fish and Game, who took time to be present and available to answer questions.

Please review the attachments carefully which are arranged in chronological order after the 'Products' section. Attached also is a list of those folks who attended or participated in one or more of the sessions, or responded if unable to attend.

The visible 'products' are a narrative report of the written response for Area-Wide participants and their own constituencies. Each participant was representative of a 'CONSTITUENCY' of similar views. The 'Constituency' as represented included a cross-section of INTERESTS: recreational, environmental, local government, schools, small and large timber industries, livestock interests, community groups, sportsmans groups, and two Indian Tribes in North Idaho. It would be difficult to estimate the actual number of folks represented by the participants, but I believe the potential impact could be monumental.

The products are oriented toward assuring an implementable plan which reflects needs as perceived by WE THE 'USER-STEWARDS' and are directed toward wise management of our Idaho Panhandle National Forests. Summaries of the meetings, reports of sub-group meetings which include sub-group consensus items and identified concerns for which no consensus was reached are attached as background information and as a record of public involvement.

A large majority of participants were involved in either the scheduled meetings in Coeur d'Alene or extended meetings which were held in Spokane and Moscow. For those participants who for some reason were unable to attend any of the aforementioned meetings, I personally traveled to meet with them: to Wallace in Shoshone County; the Coeur d'Alene Tribe in Plummer and Kootenai Tribe at Bonners Ferry; and Spokane to meet on environmental concerns. All those people who believed they should have been involved, and were brought to my attention, were given the opportunity to participate in the resulting 'Products'. Additionally, I made every effort to either meet personally or confer by telephone with all those folks to explain the process, all at my own expense.

The long range benefits of our involvement are already on the horizon: comments from many who speak of the need for smaller meetings to seek solutions; the need to continue to communicate and work out problems in conjunction with the other users and the Forest Service. A 'Demonstration Project' involving the St. Maries Ranger District, representatives of the Idaho Environmental Council, Sierra Club, Idaho Wildlife Federation, St. Joe Valley Association/timber industry, and a concerned St. Maries representative is in the formative stages. This type of cooperative agreement can, I believe, be the cornerstone for responsible forest management. The groundwork has been laid--now it is up to the managers and the users to work together in a positive manner so long-range benefits can become a reality.

It has been a privilege to have been a part of this cooperative venture between Citizens and the Forest Service. The real credit for the successes of this venture has been those representatives of many divurgent views and philosophies who took the time and cared enough to sit down and seek cooperative solutions. Time did not allow for development of a formal procedure. However, the good-will and commitment to objectives of the 'group as a whole' has created a workable blueprint for future public involvement. New trails have been charted. To the best of my knowledge, this is the first time a venture of this magnitude has been conducted whereby the Leadership roles were carried out by Citizens with the Forest Service providing supporting services, etc. It has been a workable venture.

A special thanks to you Mr. Morden and Mr. Bob Butler who with the members of the Planning Team gave us time to work together; to Sandy Matheny, Public Information Officer; District Ranger, Harold Wadley, and Resource Assistant, Don Smith, for helping put it all together.

Please enter this Letter of Transmittal with attachment to the permanent record of the Idaho Panhandle National Forests Forest Plan. Thank you.

Sincerely,

Dolly May

PRODUCTS

PARTICIPANT/CONSTITUENT RESPONSES FROM

Consensus Items
Forest Plan Options
Fish & Game/Timber Agreement

Demonstration Project

The Area-Wide Extended Public Involvement Group meeting
between Feb. 9, & March 21, 1986

CONSENSUS ITEMS

Following is a compilation of agreements, disagreements and comments regarding consensus items discussed by people involved in the Forest Plan Citizens Working Group:

VISUAL CONCERN: Recommend de-emphasis of visual management concern in the Final Plan, recognizing that some very sensitive areas need management with visual concern in mind and not to preclude responsible resource management practices. Further, the Forest Service should accelerate their program of educating the public concerning temporary timber and other resource management impacts.

In general, most people agreed with this statement as written. A few made additional comments - as follows:

- Agree. However, it must be acknowledged that root rot areas left unchecked can become a negative visual management problem. (Coeur d'Alene Tribe of Idaho)

- Could be de-emphasized in some areas, but we don't agree with a general de-emphasis. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- Areas of high recreational use should maintain visual quality, not only visual aesthetics, of mature timber as well as healthy second growth. Tourists visit the State of Idaho to travel through and see its beauty, not to see slash piles and stumps or acres of clear cuts. I believe we can manage our resources in both directions. (E.E. Bratley, Idaho Wildlife Federation (District 1), represented by Bob Larimer, Coordinator for Sandpoint Community Group).

BUDGET: Any option to look at intensive timber managment on high sites MUST be made with realistic budget constraints, biological impacts, and realistic evaluation of cumulative impact in mind. This is particularly a concern in looking at optimizing Wilderness high site country. Cost of mitigation of other resource impacts should be included in this budget analysis.

All people agreed with this statement in general. Some included editing suggestions for this item (not included here) in addition to the comments which follow:

- Agree with first sentence, but we question the mention of Wilderness and what the intent is. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- Agree. Response would include higher yield sites, also, cultural impact issues must be addressed. The Coeur d'Alene Tribe holds sacred in religious tones and traditional gathering and camping site concerns, therefore, we would suspect the Forest Plan Budget does not incluce cultural and historical impact regarding Coeur d'Alene Indian people i.e., high mountain sites utilized as spiritual, prayer, vision quest areas. Spiritual gathering grounds for foods and prayer areas within these gathering grounds. (Coeur d'Alene Tribe of Idaho)

- Changed wording to read "...optimizing Wilderness high elevation sites and high site index production." (Larry Bentcik, St.Maries Chamber of Commerce)
- Increase cut in high-yield sites. (St. Maries Extended Working Group, represented by Richard Schumacker)

DEVELOPED RECREATION: The amount of developed recreational sites should be covered by the Final Plan, with the number of sites being increased in the future.

Almost all agreed with this consensus item - with additional comments as follows:

- Based on the prediction that recreation/tourism will be Idaho's Number 1 industry by the year 2000, the St. Maries Chamber of Commerce is in full agreement that the number of developed recreation sites should be increased, beginning immediately.

  Because of the limited number of U.S.F.S. owned sites compatible with such recreation use, especially in the immediate St. Maries area, it is suggested that there be a provision considered for purchase of or exchange into privately owned sites.

  An annual review of the use of these sites should be made, with the results being the deciding factor in the decision to increase the number of available sites.

  The term "Recreation Sites" is not to be construed as to mean only camping facilities but should include, but not be limited to, trail head facilities, all terrain vehicle areas, hiking trails, nature trails, old logging camp trails, modern logging technique demonstrations, etc. An immediate expansion of all types of recreational development sites is imperative... It is not being adequately addressed. (Larry Bentcik, St. Maries Chamber of Commerce)
- Plan should consider budgeting for the possibility of leaving all developed campsites open through elk season, in that this is a very high use period; Developed recreation is or should be a part of multiple use and the part of the budget should not exceed it's proportion in the overall multiple use plan. (Members of St. Maries Extended Working Group, represented by Richard Schumacker)
- ...Campgrounds are cheap... and they are needed. (Lana Schumacker (with Linda Burch), representing St. Maries Business Women)

MULTIPLE USE: Multiple use concepts should continue to be addressed in the Plan process.

All agreed with this consensus item. Comment follows:

- All roadless areas in Beneway County can be available for Multiple Use. (Teachers Group, represented by Gary Barton, School Superintendent)

MALLARD-LARKINS WILDERNESS: Boundaries for proposal for a Mallard-Larkins Wilderness Area are attached on a map overlay.

The group was fairly evenly split between agreement and disagreement on this item, and there were several accompanying comments as follows:

- Expansion beyond the U.S.F.S. recommended size of the Mallard-Larkins Wilderness Area in exchange for less attention being given more accessible recreation sites, hunting and fishing sites to be included, is not compatible with the recreation needs of the average forest user.

Consequently, a recommendation is made that a compromise be made somewhere between the St. Joe Valley Associations' original proposal of 30,500 acres and the U.S.F.S.'s proposal. (Larry Bentcik, St.Maries Chamber of Commerce)

- Should remain at present size. (Don Hill, representing Shoshone County Sportsmen's Group)
- Support 30,500 maximum. (Jack Buell, representing Benewah County Commissioners)
- Boundary changed to include only the present Mallard-Larkins Poineer Area, approximately 30,500 acres. This is consistent with present published St. Joe Valley Association position concerning wilderness proposals for the Mallard-Larkins area. (Bill Mulligan, representing St.Joe Valley Association/Timber Industry)
- Smaller area. (Dr. W. Dyce Thurston, St. Maries People)
- Land allocation is the prominent problem and from my prospective the following areas should not be allocated to timber:

  (a) The roadless areas around the present Larkin Wilderness.
  (b) Grandmother mountain
  (c) Upper St. Joe
  (as a foot note these are the areas I am familiar with so can only speak to them) (Sam Angove, member Sierra Club)

- St.Maries Extended Working Group responded in various ways as follows:

  I support F.S. choice - compromise; Support the present "pioneer" area as Wilderness - about 30,500 acres; Back to 30,500 acres total; Support only the 14,000 acres in pioneer area and the 2338 acres in the 5 Lake Butte area. (St.Maries Extended Working Group, represented by Richard Schumacker)

HIGH YIELD SITES: Intensively manage high sites with silvicultural system that fits the specific areas to increase timber output over time.

Almost all participants supported this item - with additional comments as follows:

- Agree, -with continued public involvement. (Coeur d'Alene Tribe of Idaho)
- ...excluding Wilderness and roadless areas. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

UTILIZATION STANDARDS: Calculate the cut in present day utilization standards.

Most supported this item, but some did not. Additional comments, as follows:

- ...according to USFS regs, the Regional Plan (or "Guide") sets utilization standards, not a Forest Plan. (Dennis Baird, representing Idaho Environmental Council)
- ... the utilization standards should be revised to meet current mill standards and technological availability. (Sam Angove, member Sierra Club)

BIOLOGICAL LIMITS: Cut (should) not exceed biological limits of the land.

All agreed with this item. There were no additional comments.

CUT FLOAT WITH DEMAND: Look at allowing cut to float with demand based on some range limits.

Most agreed with this item, but some did not. Additional comments follow:

- with realistic range limits. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

TURNER-NELSON TEST: Consensus and approval expressed about value of such tests for Turner-Nelson. Serveral participants had reservations for use of similar test sites without considerable research before being undertaken.

Almost all agreed with this item. Additional comments follow:

- The effect of the Tanglefoot Two sale on the resident elk population must be analyzed over an extended period of perhaps ten years before other fragile wildlife habitats are entered on any basis. (Larry Bentcik, St.Maries Chamber of Commerce)

BUDGET EFFECTS: Budget needs to be stable for life of Plan.

All agreed with this item. Comments, as follows:

- Add: "and funded for the objectives and goals for the duration of this plan"...(Member of St.Maries Extended Working Group, represented by Richard Schumacker)
- Statement (should be) modified to: "Budget needs to be stable for the life of the Plan. However: the objectives and allocations of the Forest Plan are for the first generation, and those objectives and allocatons must be properly funded on a consistent basis by Congress"...(Bill Mulligan, representing St.Joe Valley Association/Timber Industry)

PERSONNEL PRODUCTIVITY: Develop methods to increase personnel productivity.

Although sentences in the paragraph for this and the next item were run together, many edited for themselves and most responded with an affirmative. Comments:

- (Reword)..."In addition, The Forest must develop methods to increase personnel productivity." (Bill Mulligan, representing St.Joe Valley Association/Timber Industry and a member of the St.Maries Extended Working Group, represented by Richard Schumacker)

INCREASED TIMBER PRODUCTIVITY: Identify best growing sites. Fertilization given a nod of approval from several. Concern expressed over poor results in tree planting effort. Use of containerized stock was proposed as one way to cut down on losses to seedlings, especially from brush.

Almost all agreed with this item. Comments:

- Make intensive long range cost analysis of the cost effectiveness of such intensive forest management practices as fertilization, pre-commercial thinnings, and herbicide spraying. (Member, St.Maries Extended Working Group, represented by Richard Schumacker)
- Modify statement to read: "Identify best growing sites." (Bill Mulligan, representing St. Joe Valley Association/Timber Industry)
- Fertilization is an ambiguous term and needs to be better defined before a recommendation and/or approval is made. Areas not suitable for timber production should not be planted since survival rates are extremely minimal (ex: 1985 spring planting in the Trego Gulch area.) In the event that sun shades are used to improve the survival rate, these sun shades should be of

a biodegradeable material or provisions should be made for retrieval of these shades. (Larry Bentcik, St.Maries Chamber of Commerce)

MONITORING/BUDGET LINKAGE: Plan must show the linkage between Budget and Monitoring! Monitoring is very important and the monitoring program must receive proportionate share of funds budgeted.

Almost all agreed with this item... with several comments as follows:

- Agree. Need to add mechanism for review and change which would go beyond "just monitoring". (Coeur d'Alene Tribe of Idaho)
- The monitoring section of the plan is unrealistic and no concrete solutions are offered, no "What If" scenario is explained or addressed. I support a long term sustained yield of timber products however I only give this support if the monitoring is upheld. (Sam Angove, member Sierra Club)
- Should be community monitoring with Forest Service, completed every 5 years with reforestation and water quality. (Lana Schumacker (with Linda Burch), representing St.Maries Business Women, also Richard Schumacker, St.Maries Extended Working Group)
- Add following to existing statement: "The public may, and should be used in conjunction with internal Forest monitoring." (Bill Mulligan, representing St.Joe Valley Association/Timber Industry)
- A monitoring system (like water quality monitoring) needs to be broadened to cover all other resources and should be appropriately funded by Forest Service to assure Forest Plan proposals were correct and change them if necessary. (Harold Sims (with Bob Graham), Bonners Ferry City Government)
- The St.Maries Extended Working Group provided several comments regarding monitoring:

  I believe that the F.S. presently has enough specialists to insure that the F.S. is complying with the Forest Plan; Public should be involved in monitoring the Plan; Citizen group such as Hal Wadley suggests-if monitored within Forest Service...I'd like to see specific follow-up monitoring at some streams in high hazard soils after sales - general keeping track would be better done by citizen group with FS monitoring done now; Ther are many forms of monitoring that take place constantly on the Forests now, such as hunters, hikers and others who observe what is taking place... may be too costly, should be done internally. (St.Maries Extended Working Group, represented by Richard Schumacker)

PROCESS: Consensus that the Forest Planning process not be drawn out!

Most agreed with this item. A few disagreed. There were no additional comments.

ADDITIONAL ITEMS

Following are additional items discussed by people involved in this effort:

Boundary County Roadless Areas

"All roadless areas in Boundary County can be available for multiple use except Parker Creek, Selkirk Crest, Long Canyon, and Salmo-Priest."

Several agreed, some disagreed and many did not comment on this item. Comments are as follows:

- Wilderness designation would be essential for these above-mentioned areas before any trade-offs could be considered. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- Discussion indicates Parker Creek/Long Canyon/Selkirk Crest could not reach concensus as to proper allocation.) All other areas in Boundary County are available to Multiple Use wih the exception of Parker/Long Canyon and Salmo-Priest/Selkirk Crest. (Harold Sims (with Bob Graham), Bonners Ferry City Government).

Note: The above comments indicate no consensus reached regarding allocation of roadless lands in Boundary County.

- There is, as you know, some trouble with the language here. By law, the whole forest must be manged for multiple-use, and in general, it seems to be. I suspect that the distinction that was supposed to be made here was development vs. non-development, with the named areas falling in the latter category. (Dennis Baird, representing Idaho Environmental Council)

- I believe the Salmo-Priest and Long Canyon could eventually be managed under a multiple use concept accompanied with an intensive road management program. (Member St.Maries Extended Working Group, represented by Richard Schumacker)

Response to Fish and Game/Timber Industry Agreement

Most supported the Agreement, some did not and some gave partial support... with comments as follows:

- Road closure areas are probably necessary for the majority of the public. On the other hand the Kootenai Tribe of Idaho does enjoy the benefits of aboriginal hunting and fishing rights in usual and accustomed places. Road closures would not be in favor of our aboriginal rights to hunt and fish in the National Forest. Also we do not significantly impact the wildlife population as do other hunters during any one hunting season. (Kootenai Tribe of Idaho, represented by Chairman Ron Abraham)

- People in our area are concerned about and object to road closures - so unless there is a very good reason for closure - I would like to see them (very) limited. I do not feel that roads should be closed to control poaching - this is a law enforcement problem. If roads need to be closed a few months for whatever reason - do not restrict their use for entire year.

  Don't like to think that the public doesn't have need for the "closed" areas, other than logging and wildlife. (Don't close off public use unless overwhelming resource damage potential). (Also)...Windrows...watch for fire hazard and aesthetics. (Harold Sims (with Bob Graham), Bonners Ferry City Government)

- Support in full except that the effect of the Tanglefoot II sale must be evaluated over a long term - perhaps 10 years - before any decisions are made. (Larry Bentcik, St.Maries Chamber of Commerce)

- I have a concern about the roads. It seems to me, rather than shut off the roads completely after logging, they could be left as is, from June 15 (calving season over) and until after Labor Day weekend. In other words leave the roads open during the dry season, therefore we who like to take a look at different areas may drive in and out after calving season and before hunting and muddy road conditions... not harming animals or backwoods roads. Otherwise it looks as if only those with plenty of time, health and or wealth will be able to enjoy this beautiful, picturesque country of ours to the fullest. There are areas for those who wish to have a complete wilderness experience, so let the rest of us enjoy a wilderness experience in our own capabilities. (Member St.Maries Extended Working Group, represented by Richard Schumacker)

FOREST PLAN OPTIONS

Following is a compilation of agreements and comments regarding the Forest Plan Options discussed by people involved in the Forest Plan Citizens' Working Group:

ISSUE/CONCERN #1: AT WHAT LEVEL SHOULD THE FOREST TIMBER GOALS BE SET WHILE CONSIDERING OTHER RESOURCE DEMANDS?

MANAGEMENT OPTIONS

OPTION 1 - Maximize timber harvest in first decade while meeting a mix of other resource considerations as outlined in the options for handling other issues.

OPTION 2 - If a 325 MMBF/year level is not achieved, other resource objective should be reduced until a 325 MMBF level is achieved so tradeoffs would be displayed.

OPTION 3 - Analyze an alternative with a 200 MMBF/year level of harvest and display tradeoffs.

Support for the options above was split. Comments follow:

- Set the Forest timber goals on a floating scale ranging between 275-325MM depending on the amount of demand. (Member St.Maries Extended Working Group, represented by Richard Schumacker)
- Primary concern, primarily in Boundary county, is timber harvest allocation of the Forest Plan. The concern is for the Forest Service to increase the annual Plan yield from 30 to 45 MMBF/year in Boundary County without environmentally and unecomonically unsound volumes. (Harold Sims (with Bob Graham), Bonners Ferry City Government)
- Prefer Option #1, but only to extent that industry demand warrants. (Larry Bentcik, St.Maries Chamber of Commerce)
- I believe the volume of timber used in the allowable cut should be reduced to 225 MMBF (in conjunction with that the utilization standards should be revised to meet current mill standards and technological availability. (Sam Angove, member Sierra Club)
- Both (Option 1 and Option 3) should be done. (Dennis Baird, Idaho Environmental Council)

ISSUE/CONCERN #2: WHAT SHOULD BE THE IPNF'S SHARE OF NORTH IDAHO COMMUNITY STABILITY?

MANAGEMENT OPTIONS - As pointed out in Issue/Concern #1, the IPNF Managemnt Team is examining an option that maximizes timber production while meeting a mix of other resource objectives. If that option does not meet a 325 MMBF/year harvest level, a second option will be developed that will meet the 325 MMBF/year level. In both options, the team will be examining ways to increase harvest on the Bonners Ferry and St.Maries Ranger Districts.

Almost all agreed with this option, a few disagreed and some did not comment. Following are additional comments made about this issue/concern:

- An increase in the cut above 200 MMBF does not mean an increase in community stability. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- Same as comment for Issue/Concern #1. (Harold Sims (with Bob Graham), Bonners Ferry City Government)
- Cutting must include milling in the local area with exporting a low priority. Local economy must be allowed the opportunity to utilize natural resources at every possible level. (Coeur d'Alene Tribe of Idaho)
- IPNF mills now use approximately 800 MM feet of timber per year. As the private supply of timber decreases the public timber supply will have to increase to their maximum level of productivity. (Member St.Maries Extended Working Group, represented by Richard Schumacker)
- Not acceptable to Idaho Environmental Council. (Dennis Baird, representing Idaho Environmental Council)

ISSUE/CONCERN #3: HOW MUCH LAND SHOULD BE MANAGED AS WILDERNESS OR ROADLESS?

MANAGEMENT OPTIONS - Provide for more wilderness in high interest areas, but maintain a high level of timber outputs by trading lower interest roadless areas for timber production and applying low impact logging to other areas. Add 53,000 areas to the wilderness proposal; 50,000 acres to Mallard-Larkins, and 3,000 acres to Salmo-Priest. Provide for timber harvest in several areas that were proposed for semi-primitive recreation (Management Area 10). In order to maintain a significant abount of recreation value, only pockets of high timber value lands would be logged.

In some areas, no roads would be permitted; either helicopter logging or logging via snow roads would be required. In other areas, only minimum impact logging roads would be constructed, and these roads would be closed for 20 years following logging primarily to minimize adverse effects on high quality elk hunting areas identified by the IF&G.

Some disagree, some agreed with this management option; and some did not comment. Following are additional comments:

- Care should be taken not to get all high yield timber areas into wilderness. (Clifford Chapin, Bonner County Government)
- Do not increase size of wilderness areas at expense of sound multiple use management practices of more accessible areas that will provide more recreational use. Thoroughly examine impact on elk habitat of Tanglefoot Two sale before entering any more of Management Area 10. I believe the present and future economic value of our elk has been grossly under-estimated and strongly urge that the Rocky Mountain Elk Foundation in Troy, Montana be contacted for their expertise. (Larry Bentcik, St.Maries Chamber of Commerce)
- "No" to the first paragraph, but ideas in the second paragraph are "worth a try". (Art Manley, affiliated with Kootenai Environmental Alliance)
- The statement here that lower interest roadless areas should be logged in a trade off for more wilderness does not coincide with statements made under Issue #4. You do not answer the question raised when you ask yourself, of high interest to whom? A hunter may be very interested in an area that backpackers would shun. (Don Hill, representing Shoshone County Sportmen's Group)
- A number reported they agreed with this option only as they corrected it - to 30,500 acres total additional acres - noting the St. Joe Valley Association's proposal.
- This idea has great merit, but the IPNF never produced a map showing where this all would be, making it hard to comment. Also, about 3,000 acres needs to be added on the SW edge of the Scotchman Wilerness proposal. (Dennis Baird, representing Idaho Environmental Council)

- The Coeur d'Alene Tribe would look for increased amount of wilderness and roadless areas. Wildlife impact and pressures must be monitored continually for the option to review and change the Forest Plan. (Coeur d'Alene Tribe of Idaho)

- What would be the time duration for industry demonstration group and evaluation to assure fish and wildlife values have been protected? (Member Sandpoint community Group, represented by Bob Larimer, Coordinator)

ISSUE/CONCERN #4: HOW SHOULD ELK HABITAT BE MANAGED IN ORDER TO MEET FUTURE ELK POPULATION REQUIREMENTS?

MANAGEMENT OPTIONS - An additional 63,000 acres of key elk habitat would be managed primarily to meet elk needs in some of the high value elk habitat areas that had been proposed as timber management areas. This would not result in a reduction of timber outputs because any timber values reduced would be picked up in Management Area 4 or 6. This option will allow on-the-ground managers to identify and manage high value elk areas and tradeoff lower value elk areas. Timber harvesting would continue, but the emphasis would be on meeting elk habitat needs such as only allowing minimum standard roads and providing for 20-year road closures.

Almost all agreed with this option. Comments follow:

- We agree with the addition of the 63,000 acres, but believe it would be more beneficial to simply not build the roads in the first place. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- In the St. Joe area of the IPNF, there is no such thing as "low value elk areas"; given proper management, all areas are capable of supporting a substantial elk population. (Larry Bentcik, St.Maries Chamber of Commerce)

- Seems to be no real "give" here. (Art Manley, affiliated with Kootenai Environmental Alliance)

- Statement of 63,000 additional is very misleading. These areas are now roadless, so statement should be 63,000 acres will be managed as key elk habitat. Fish and Game agreement list 83,000 in 5 areas, one of which is Turner-Nelson with a go ahead for logging to experiment, so to speak. That would leave approximately 63,000 acres of roadless key elk habitat. (Don Hill, representing Shoshone County Sportmen's Group)

- Future elk population is secondary to timber management. I'm opposed to additional areas being set aside. Elk population is idealistic goal and will not need additional areas, however I will agree with IF&G/Timber agreement. (Lana Schumacker (with Linda Burch), representing St.Maries Business Women)

- Agree. Trade off of higher value elk areas and lower value elk areas must be handled very delicately as elk habitat changes with pressures. (Coeur d'Alene Tribe of Idaho)

- I feel that timber harvest combined with a road closure program can do nothing but enhance elk populations; Follow F&G/Industry agreement. (Members St.Maries Extended Working Group, represented by Richard Schumacker)

ISSUE/CONCERN #5: HOW SHOULD THE FOREST FISHERIES/WATERSHED RESOURCES BE MANAGED?

MANAGEMENT OPTIONS - Forest Plan harvest schedules will be based on additional watershed analysis (ground truthed) as can be accomplished between the draft and final. Scheduling of timber harvest in drainages where watershed conditions are approaching theshold sediment levels will be subject to on-site watershed analysis. Final decisions will be made using on-site data at the project-level planning stage. The Forest will move toward use of the accepted R1 R4 watershed model by early summer 1986. Critical fishery streams and domestic water supply sources will receive a higher level of protection than other streams.

All agree with this management option, though one felt it was a little weak. Comments follow:

- We need to have good monitoring also. (Clifford Chapin, Bonner County Government)
- In agreement but add that stream drainage management should tie in with river and lake management. (Larry Bentcik, St.Maries Chamber of Commerce)
- Weak, but let's talk further. (Art Manley, affiliated with Kootenai Environmental Alliance)
- In favor of BMP for water quality standards for non-point areas. I'm opposed to watershed analysis in model that are unrealistic to area streams, however we must meet EPA standards, but we need not exceed standards. (Lana Schumacker (with Linda Burch), representing St.Maries Business Women)
- Unless the Plan itself sets clean and precise site-specific goals, this item has little meaning. (Dennis Baird, representing Idaho Environmental Council)
- Agree. Critical fishery streams and domestic water supply source must receive higher level of ATTENTION: protection should be for all streams. (Coeur d'Alene Tribe of Idaho)
- Sound logging practices and strict erosion control measures must be applied where fisheries/watershed constraints are to be met. (Member St.Maries Extended Working Group, represented by Richard Schumacker)
- In the past, situation has destroyed several anadromous fisheries, major drainages to boot. I know myself of local cutthroat fisheries, upon major drainages, that are almost non-existent from roading, logging as well as other developement. These ARE the models we should have learned by. (E.E.Bratley, representing Idaho Wildlife Federation (District 1), as represented by Bob Larimer, Coordinator Sandpoint Community Group)

ISSUE/CONCERN #6: HOW MUCH EMPHASIS SHOULD BE PLACED ON VISUAL MANAGEMENT?

MANAGEMENT OPTIONS - Reduce Visual Quality Objectives in major timber producing areas that are not viewed from towns and primary highways. Increase concern for visuals around major lakes, specifically Pend Oreille and Hayden Lakes. Include low impact logging and uneven-aged management as options in the visual prescriptions for use as appropriate.

All agreed, but some with some reservations. Additional comments follow:

- We feel that view areas around lakes Pend Oreille, Hayden, and Priest Lake should be designated MA 13's with no logging being allowed. We do not endorse over-all de-emphasis of visual quality, although it might be possible in some areas. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)
- Agree, unless high timber volume lost in VQ areas. (Lana Schumacker, (with Linda Burch) representing St. Maries Business Women)
- Timber management vs. visual management should be reviewed on a area-by-area; site-by-site decision making process. Local residents and

local agencies must decide together case-by-case. (Coeur d'Alene Tribe of Idaho)

- Make use of selective logging as alternative to clear cutting. (Member St. Maries Extended Working Group, represented by Richard Schumacker)

ISSUE/CONCERN #7: HOW SHOULD THREATENED AND ENDANGERED SPECIES BE MANAGED?

MANAGEMENT OPTIONS - The Forest will use a revised prescription for managing caribou habitat. This prescription includes the latest research that was conducted by State Agencies in cooperation with Canadian and United States agencies. The proposed plan for managing grizzly bear habitat will be retained.

Most agreed with this statement. A few did not. Additional comments follow:

- Grizzly Bear could be cut back. (Clifford Chapin, Bonner County Government)

- Present plan is unrealistic and needs reconsideration for community stability in regards to number of areas and acres allocated for primary allocation. Prescriptions should be loosened to allow a reasonable level of other activities in grizzly/caribou habitat. (Harold Sims (with Bob Graham), Bonners Ferry City Government)

- Agree. Transplant Caribou NOW. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- IF &G must be restricted (from) adding more to area than is currently in habitat. (Lana Schumacker (with Linda Burch), representing St.Maries Business Women)

- Continued monitoring and review are necessary and should be high priority of this plan. (Coeur d'Alene Tribe of Idaho)

ISSUE/CONCERN #8: HOW MUCH ROAD SHOULD BE CONSTRUCTED TO MEET THE FORESTS LONG-TERM MANAGEMENT NEEDS?

MANAGEMENT OPTIONS - District Rangers are currently developing a revised timber harvest plan that is responsive to reduced costs. The Forest engineering staff is also examining technical options to reduce costs.

All who responded generally agreed with this statement. Some did not indicate agreement or disagreement, but just commented about roads. Additional comments as follow:

- Agree. Limited access. (Coeur d'Alene Tribe of Idaho)

- The question of road building and standards are of a real concern to me. I believe there are too many miles of roads planned and the standards are to high. The probability of road closures are not promising and therefore I opposed the forest road construction plans. (Sam Angove, member Sierra Club)

- In agreement - wish to emphasize that road should not be constructed only to establish a road systemn in an area of minimal timber productivity that might have a greater recreational value in future years. (Larry Bentcik, St.Maries Chamber of Commerce)

- Statement should be added that only roads built would be those paid for by timber sales. (Don Hill, representing Shoshone County Sportsmen's Group)

- Construction standards should be reduced. (Fred Cantamessa, representing Shoshone County Commissioners)

- We do feel that road building should be kept to a minimum. (Ruth Watkins (with Roger Burwell), Panhandle Environmental League)

- I'm in agreement with lower standards to meet lower cost. (Lana Schumacker (with Linda Burch), representing St.Maries Business Women)

RECORD OF MEETING

MOSCOW, IDAHO

March 21, 1986

On March 21, 1986, a meeting was held in Moscow, Idaho, involving Coordinator of Area-Wide Public Involvement Group and a small group of people representing the St. Joe Valley Association/timber industry, environmental interests and concerned citizens from St. Maries. Forest Service employees were in attendance as resource/information people. The purpose of the meeting was to reach agreements on future timber sale activities within and adjacent to the Grandmother Mountain roadless area.

The focus of the discussion was that portion of the upper Marble Creek Drainage that is within the Grandmother Mountain Roadless Area. Industry perceives that area as being important for future timber volumes, while environmental interests wish the area to remain in a roadless condition. The area has high scenic values that can be viewed from various locations along the divide between the St. Joe River drainage and the North Fork of the Clearwater drainage and from various trail locations in the area.

Forest Service plans indicate that timber within the area of concern (Timber Compartment 86) would not be harvested until the second decade of the Forest planning period. There was considerable discussion about the location of stands that appeared to be suitable for harvest during the second decade, locations from which these areas would be visible, and pottential access routes for timber harvest. SJV/timber industry indicated that it might be willing to support continued roadless designation for the upper Marble Creek drainage if environmental interests would agree to boundary adjustments in other roadless areas which would permit access to high value timber stands -- for example, portions of the proposed Mallard-Larkins Wilderness/Roadless area (Crescendo Creek, Foehls creek area).

Environmental interests were also concerned about a timber sale (Steam Donkey) proposed between Marble Creek and Cornwall Creek for 1993. Their concerns for this timber sale were similar to those expressed for harvest activities proposed for the second decade. According to the Forest Service, the sale is estimated to include approximately 6 MMBF of timber and will require approximately 1.5 - 3.0 miles of access road. There was considerable discussion about the proximity of the sale to Marble Creek and the visibility of the sale from the Orphan Point/Delaney Creek area and segments of the Marble Creek Trail system. Environmental interests advised the group that the area involved in the proposed Steam Donkey Sale is included in wilderness legislation that has been introduced in Congress. Although the proposed legislation is not expected to go anywhere, it was introduced for 'effect'.

In a letter to the Forest Service, environmental interests has also expressed concern about timber sale activities proposed for 1989 in the Bussel-Hump Resource Unit. The concerns involved the potential for harvest activities to infringe upon integrity of Marble Creek Trail #261. The group was shown maps of the Bussel-Hump Resource Area which identified potential harvest areas. The only area of concern after viewing the maps was a potential unit north of Homestead Creek in Sections 26 and 35, T.44N., R.3E., which crossed Homestead Road #216.

The meeting resulted in the following accomplishments, understandings, and/or decisions:

1. Environmental interests will not agree to timber harvest activities in the upper Marble Creek within Timber Compartment 86.

2. There will be no compromise on the boundaries of the proposed Malard/Larkin Wilderness/Roadless Area. A quote: 'The Forest Service will not determine the boundaries of the Mallard/Larkins, Congress will'.

3. It was agreed that the Steam Donkey Sale would be prepared as a 'Demonstration Project'. St. Joe Valley Association/timber industry, environmental interests (Sierra Club, Idaho Environmental Council, Idaho Wildlife Federation), St. Maries Community representative and the Forest Service would jointly lay out the sale area and road system. Impacts and effects of the sale on other resources would be monitored over time. The long-range objective will be to obtain information which will be beneficial in future updates of the Forest Plan. Environmental interests agreed to notify proponents of wilderness legislation to adjust the proposed wilderness boundaries to exclude the proposed sale area.

4. The area of concern in the Bussel-Hump Resource Unit is the potential harvest area north of Homestead Creek and the potential for harvest units to be located below Homestead Road #216 and infringe upon the integrity of Marble Creek Trail #261. It was agreed that the Forest Service would invite those citizens present, involved in the Steam Donkey Demonstration Project, to accompany the Forest Service ID team on a field review of the Bussel-Hump Resource Unit this coming summer; particularly the potential harvest area north of Homestead Creek. The purpose will be to determine if proposed harvest units will infringe upon the integrity of Marble Creek Trail #261, and to design harvest units to avoid unacceptable impacts on the trail and its surrounding environs.

Attested to by:

Dolly Hartman

Dolly Hartman, Volunteer
Public Involvement Coordinator

ATTACHMENTS

Issues - No Consensus

Concerns

List of Participants

January 21, 1986

Dear

Thank you for agreeing to work together towards potential solutions to our stated disagreements about the Idaho Panhandle Forest Plan. Our first meeting will take place at the Holiday Inn on Appleway in Coeur d'Alene on Sunday, February 9th. The meeting will start with a no-host luncheon at 12:00 noon and probably be over by 3:00 or 3:30.

We worked hard to find an acceptable date for everyone, but understand that we may not have all of us at the first meeting. It became necessary to either go ahead with this date or abandon our hope to find possible solutions to our differences. Each member will be kept up-to-date on the proceedings.

Enclosed are: (1) a list of participants, (2) a tentative agenda, and (3) tentative objectives and ground rules to be finalized with all of you at the beginning of the meeting. Also, some of you may not yet have received a copy of the Forest Service's overview of public input. I have asked them to send that to you for reference before the meeting. You should receive it shortly.

I have asked Don Smith and Sandy Matheny, both with the Forest Service, to assist at the meeting. Also, Ranger Wadley will attend to provide resource information. I have asked Forest Supervisor Morden to give a few remarks at the beginning. At this time participants will be limited to those on the list and the Forest Service personnel I have invited. We can discuss future statements to the media, and responsibilities to our own constituencies at this first meeting.

Please come prepared to work together and to make progress.... and bring your calendars to schedule future meetings as necessary. I'm looking forward to working with you.

Sincerely,

DOLLY HARTMAN
Group Coordinator

TENTATIVE AGENDA

1st meeting

INTRODUCTORY REMARKS	DOLLY
Ground Rules, Purpose and Objectives	
GROUP INTRODUCTIONS	SANDY
ISSUE CLARIFICATION	SANDY
TASK - WORK FOR NEXT MEETING	DOLLY AND SANDY
Issue intensity, how if affects us, ideas for resolution	
WRAP UP	DOLLY
Media responsibility, dates for next meeting(s), evaluation	

2nd Meeting

1ST MEETING SUMMARY	DOLLY
ISSUE SUMMARY - SMALL GROUPS	ALL
SUMMARY PRESENTATIONS TO LARGE GROUP	ALL
POTENTIAL SOLUTIONS TO EACH ISSUE CATEGORY - SMALL GROUPS	ALL

Resolutions for each issue category may take one or more meetings beyond this....

RESOLUTION PRESENTATIONS TO LARGE GROUP ALL

Group decides on feasibility of resolutions

IF FEASIBLE, DRAFT RESOLUTION FOR CONSTITUENCY INFORMATION AND CONCURRENCE

FINALIZE RESOLUTION, POINTS OF NO AGREEMENT, AND MEETINGS' SUMMARIES

Group members sign off and send to Forest Supervisor (and others?)
Statement to Media?

PARTICIPANTS ROSTER

Dolly Hartman, Coordinator

Liz Codoni

Dennis Baird

Gary Barton

Jack Buell

Dean Lydig

Art Manley

Jerry Martin

Kris Moser

Bill Mulligan

Dr.John Osborn

Richard Schumacker

Harold Sims

Dr.Dyce Thurston

Bob Graham

SUMMARY OF RESULTS OF FEBRUARY 9, 1986 HOLIDAY INN MEETING

OBJECTIVES AND GROUND RULES

Following are the Objectives and Ground Rules the group agreed would guide their efforts:

OBJECTIVES

—We want to CLARIFY ISSUES and HOW WE DIFFER about them.

—We want to RECONCILE DIFFERENCES where possible.

—We are SEEKING COOPERATIVE SOLUTIONS so that the Forest Plan can be effectively implemented.

GROUND RULES

—One person talks at a time; no side talking in the audience or interrupting others.

—Points stated in a respectful manner and taken with respect.

—Arguments must be objective and not personal. Once arguments become personal, they become unproductive.

—We are able to discuss and consult regarding these meetings with others outside this group, except for the media. At this time, we'll simply say we're working toward some solutions, but the meetings are closed except by invitation.

—Agreements are sought cooperatively. The preferred method is consensus. If consensus cannot be reached, the majority may rule, but minority opinions are presented and recorded.

—The group will discuss general aspects of the Forest Plan, and specific aspects of the St. Joe country. If specifics arise regarding areas of the Forest that people feel inadequate to address, the group has agreed to consider consulting with someone else, or perhaps bringing them in to work with us. *

* Basis for adding additional folks.

ISSUES

TIMBER VOLUME/BASE
COMMUNITY STABILITY
WILDERNESS/ROADLESS
ELK MANAGEMENT
FISH/WATERSHED PROTECTION
VISUAL MANAGEMENT
BUDGET
MONITORING, added by the group

It was also suggested that THREATENED AND ENDANGERED SPECIES may need to be added to this list of issues. We can discuss at next meeting.

ITEMS DISCUSSED, PRIMARILY ON TIMBER VOLUME/BASE AND COMMUNITY STABILITY, REGARDING WHAT THE GROUP HEARD MORDEN SAY AND WHAT THEIR POINTS OF VIEW WERE:

- How close is Forest going to link plan to budget? (timber harvest, allowable cut).

- Perception of Forest being "wedded" to 275 MMBF figure - need to look at how figure was derived - then, do we need to move it up or down?

- Concern for community stability definition and Forest Service's role in that, other towns are also important, and stability relates to other resources in addition to timber.

- Department of Fish and Game - Compatability and resource protection at 200 MMBF - not sure whether we have expertise to determine whether that's appropriate - whatever the volume is and whatever cut is, should use State of Art knowledge for fisheries and wildlife resource concerns.... then available cut becomes moot point.

- Whatever figure is - is an arbitrary figure going to come from on high anyway, or is resource protection, etc., going to dictate?

- Need analysis to show within Panhandle region: number of mills, approximate requirement for wood, where wood will come from (Forest Service, State and others)... so we can have an idea of effects on community stability.

- Need to look at total flow of dollars from timber resource back into community, etc., and how other dollars may or may not flow into community.

*Need to look at technology for sources to reduce impacts - maybe technology as it relates to jobs, too.

*Timber volume: the central issue is one of providing supply - mill capacity? or meeting demand - future of mills?

*Not sure what Forest Service can do in terms of demand.

*Budget - can't plan for optimum budget - need realistic expectations.

*Heard Morden say that Forests that can produce are ones that will be funded.

*Plan didn't show me that it could handle a large cut - need age-class distributions by decade, what's going out, what's left at end of decade. Need age-class distribution for now, too.

*Are estimates of harvest reflecting scaling information?

*Utilization standards are well beyond what we can meet in the industry.

*(Plan) seems to be aiming at an elusive target - sawmill capacity rather than what resource will handle over a number of years. Sawmill size changes - employment changes... plan should not be responsible for that.

*Need to discuss where 275 MMBF came from and how it came about.

*Natural resource utilization - need to know specific revenue sources for schools and other basic services when there is reduced access (to timber)

*Clearcuts vs. selective cutting needs to be looked at.

Also:
from Liz Codoni: Forest Plan has not addressed need for developed campgrounds.

CLARIFYING THE ISSUES

The TASK for our next meeting is to clarify the preceeding issues by answering these two questions:

1. How the issue affects my constituency... The task here is to say what is needed as we resolve this issue. Be as succinct as possible.
2. Define possible solution(s)... The challenge here is to look for workable solutions, keeping in mind what you think the other group members need. Others' needs will be clarified at the meeting by the information we all provide to the first question.

Concern for community stability definition and Forest Service's role in that, other towns are important, too, and stability relates to other resources in addition to timber.

Department of Fish and Game - Compatability and resource protection at 200 MBF - not sure whether we have expertise to determine whether that's appropriate - whatever the volume is and whatever cut is, should use State of Art knowledge for fisheries and wildlife resource concerns... then available cut becomes moot point.

Whatever figure is - is an arbitrary figure going to come from on high anyway, or is resource protection, etc., going to dictate?

Need analysis to show within Panhandle region: Number of mills, approximate requirement for wood where wood will come from (Forest Service, State, and others)... so we can have an idea of effects on community stability.

Need to look at total flow of dollars from timber resource back into community, etc., and how other dollars may or may not flow into community.

Need to look at technology for sources to reduce impacts - maybe technology as it relates to jobs, too.

Timber volume: the central issue is one of providing supply - mill capacity? or meeting demand - future of mills?

Not sure what Forest Service can do in terms of demand.

Budget - can't plan for optimum budget - need realistic expectations.

Heard Morden say that Forests that can produce are ones that will be funded.

Plan didn't show me that it could handle a large cut - need age-class distributions by decade, what's going out, what's left at end of decade. Also need age-class distribution for now.

Are estimates of harvest reflecting scaling information?

Utilization standards are well beyond what we can meet in the industry.

(Plan) seems to be aiming at an elusive target - sawmill capacity rather than what resource will handle over a number of years. Sawmill size changes - employment changes... plan should not be responsible for that.

Need to discuss where 275 MMBF came from and how it came about.

Natural resource utilization - need to know specific revenue sources for schools, etc., ... basic services when there is reduced access (to timber).

Clear cuts vs. selective cutting needs to be looked at.

FROM LIZ CODONI: Forest Plan has not addressed need for developed campgrounds.

Need analysis to show:
- Number of mills
- Volume needs/annum
- Where the volume will come from

February 20, 1986

Enclosed for your review prior to the next meeting of the group seeking resolutions to the issues of the proposed Idaho Panhandle Forest Plan is the (1) summary of the results of the Holiday Inn meeting, (2) possible solutions to forest planning issues, (3) responses to some of the questions that were raised at the previous meeting, and (4) agenda for the next meeting.

The next meeting will be held on February 26, 1986 at the Forest Supervisor's Office, 1201 Ironwood Drive in Coeur d'Alene. The meeting will begin at 4:00 P.M. You should use the west parking lot and enter through the west door of the building.

Bring a sack lunch for supper. We will take a break about 6:00 P.M. to eat or, if the group prefers, we can eat while we work.

Note on the last page of the summary of the Holiday Inn meeting that two tasks were assigned for the next meeting. Please come prepared to discuss these items.

If you have any questions, call Dolly Hartman in St. Maries, Idaho (245-2390).

MEETING AGENDA
FEBRUARY 26, 1986

4:00 - 5:00 P.M.

- —Opening remarks
- —Old business
- —Clarifications, questions for Bill Morden
- —General Meeting
  - *Each participant briefly describe how issues affect their constituencies and possible solutions (Results will be typed immediately and given to work groups)

5:00 - 6:00 P.M.

- —Work groups (Assigned by site specific areas of concern) to work on solutions for presentations to entire group

6:00 - 6:30 P.M.

- —Break for supper (no-host sack lunch)

6:30 - 8:00 P.M.

- —Work group presentations to entire group

8:00 P.M.

- —Summary of meeting
  - *Results will be captured and mailed out to you for use in discussions with your constituencies
- —Set date for wrap up meeting (resolutions to Forest, minority reports, etc.)
- —Adjourn

THIS PROCEDURE USED, WITHOUT OBJECTION, FOR
February 26, 1986 MEETING OF EXTENDED PUBLIC
INVOLVEMENT GROUP FOR IPNF FOREST PLAN.

* * * * *

Each Group select
Recorder/Leader or
Each.

*AGREEMENT PROCESS

1. Preferred: *Consensus--General Consent
Unanimous Consent - Only possible
if no objections.

2. If objection then group must vote:

MAJORITY (simple) RULES, however

MINORITY has right to submit written MINORITY REPORT, (opinions)

Include Name- whom representing BRIEF STATEMENT OF OBJECTIONS

LEAVE ALL MINORITY REPORTS WITH THE CHAIRMAN/COORDINATOR

THE CHAIR RESERVES RIGHT TO RECESS AT HER DISCRETION

*Roberts Rules - Parliamentary Guide

Please enter this document to the permanent record on IPNF Plan.

Dolly Hartman

Dolly Hartman, Public Involvement
Coordinator

GROUP A MEETING FEBRUARY 26, 2986

Group Leaders:
Mike Welling
Bob Larimer

Committe Members

Mike Welling
Ruth Watkins
Bob Graham
Bob Larimer
Cliff Chapin

General

We agreed to confine our discussion to primarily Bonner and Boundary Counties as, other than Mike Welling, all have been involved with and concerned with the Plan in these areas.

Major Concern

1. Timber Supply and Community Stability

   ✓ a. All agreed that this is an overall concern and that agreements must be reached limiting the constraints that are threatening the livelihood of these communities.

   ✓ b. Volume levels from the Draft plan must be increased particularly in Boundary County.

Constraints And Other Concerns To Be Analysed

1. Wilderness/Roadless
    - a. Long Canyon still a major concern from both sides - to be further analysed.
    - b. Other Forest Service designated wilderness within these counties do not seem to be major problem.
    - c. Other roadless areas, particularly in Boundary County do not seem to be a major concern.
2. Elk and Fish Management
    - a. Group felt that these were not major constraints within these areas.
    - ✓ b. Minimum adequate protection should still be maintained.
3. Visual Management
    - a. Concern was registered particularly on Pend Orielle Face.
4. Grizzly and Caribou Management
    - a. This is a major factor upon these counties.
    - ✓ b. Guidelines and prescriptions need to be re-evaluated.
5. Monitoring
    - a. Very important issue if there is to be potential changes in the Plan as time progresses.
    - b. Strong recommendation to be made.

More detailed solutions to these concerns will be made on March 4th meeting.

GROUP B MEETING NOTES

Group Leader:
Bill Mulligan

1. **ATTENDEES**

    Leroy Lee
    Sam Angove
    Richard Schumacker
    W. D. Thurston
    Bill Mulligan

2. **ISSUE AREAS**

    - A. **Richard Schumacker**
        - 1) Concerns, Mallard-Larkins and how much areas managed Wilderness or roadless
        - 2) Recommendations - Present Mallard-Larkins as Wilderness and possible another 20,000 acres.
    - B. **Leroy Lee**
        - 1) Main concern - cut does not exceed biological capacity, Grandmother Mountain area stays roadless.
    - C. **Sam Angove**
        - 1) Concern with large range management

D. **Dr. Thurston**
  1) Community stability, relates to timber volume

E. **Mulligan**
  1) Same as Dr. Thurston

GENERAL COMMENTS

All Issues Inter-related in Plan, Short & Long-term

1. TIMBER VOLUME/BASE

A. Cut Recommendations - (Options From Group)

1) Range 200 MMBF to 325 MMBF
2) Not exceed biological limit
3) Allow cut to float with timber demand within biological limit.
4) Intensively manage high sites/stay but of unroaded area unless high site
5) Utilization standards a concern in calculating cut

B. Allocation on Land

1) Critical period in 1st two periods (20 years)
2) One suggestion (Sam) - Mallard-Larkins Wilderness greater than Forest Service recommendation, but look at make of cut, short term in another area.

Another person (Richard) recommended lowering Wilderness in Mallard-Larkins to 30,500 acres, and possible 20,000 acres in 5 Lakes Butte.

C. Concesus Areas

1) Intensively manage high sites with silvicultural system that fits the specific area to increase timber output over time.
2) Calculate the cut in present day utilization standards.
3) Cut not exceed biological limits of the land.
4) Look at allowing cut to float with demand based on some range limits.

IPNF WORKING GROUP C NOTES - 2/26/86

A. TIMBER VOLUME/BASE

1. PL 874 revenue for schools
2. School enrollment linked to property values
3. Employment linked to property values
4. Concern over scientific reliability of base data
5. Historical mill demand
6. Harvest level should be based on biological capacity of forest, not demand.
7. Offer sales at a higher level than immediate need.

B. COMMUNITY STABILITY

1. Timber only likely salvation of many small towns
2. Timber supply linked to school employment
3. How does total (geographic) supply on forest relate to individual towns?
4. No study shows that stability of towns dependent on resources is possible.
5. Ripple effect

C. WILDERNESS/ROADLESS

1. Need to know what percent of forest is "economic" for timber harvest
2. Concerned with quality, not numbers
3. Wilderness not multiple-use
4. 20 year harvest schedule unwise
5. How much use of roaded areas with closed roads?
6. Wilderness allocation is reversible (only one that is).
7. How much timber available from all of Unit 10 Areas and how much available in next decade?
8. How much cutable timber now in Wilderness in Idaho - What acreage is included including parks and river corridor?
9. How much income is lost to schools and roads do to existing and proposed wilderness?
10. How many dollars were lost in 1985 to Idaho due to existing wilderness/roadless?
11. Good land use management leaves as many permanent options open as possible
12. Could using Area 10's meet 325 MMBF level?

D. ELK MANAGEMENT

1. Uncertainty about plans concern over elk
2. Elk and timber are compatible.
3. Forest users need partial roaded access seasonally to help ecomomy.
4. Permanent road closures affect timber management.
5. Timber/F&G talks a good idea.
6. Need some roadless land for elk habitat
7. Good food supply is key (e.g. burns).
8. Effect of 10 year closures on elk and timber supply

E. FISH AND WATERSHED

1. Opposed to numerical standards based on non-point sources
2. Need to use new sediment control measures
3. Sediment management important and compatible with timber harvest
4. Need more minimum standard logging roads
5. Plan needs site specific water quality standards.
6. Water quality standards tied to community stability not fish needs.

F. VISUAL MANAGEMENT

1. Needed particularly around lakes and rivers
2. On major highways should be of concern
3. Reduce visual quality in areas of good timber.
4. Clearcutting should not compromise wildlife quality.
5. Effects timber and local econcmy

G. BUDGET

1. Budget needs to reflect reality (A declining budget).
2. Needs money set aside for wildlife
3. Budget should include money in fair proportion for all multiple-uses.
4. Should be at level and timed for in field use
5. Unit 10 revenues from timber should be spent in Unit 10 (for wildlife, recreation, trails, etc.).
6. K-V money kept locally
7. Budget is cut, plan must be clear what happens next.
8. Budget for monitoring must always be kept in tact.
9. Monitoring should be funded relistically (community stability).

F. MONITORING

1. Needs to be objective and cost-effective
2. Results need to be provided to public in regular, systematic manual.
3. Needs to be realistic toward actual conditions

March 4, 1986

FLIP CHART AGENDA

4:00 OPENING OF SESSION

- Introduction of any new folks
- Housekeeping chores
- Any Old Business
- Tentative calendar

4:30 SUB GROUPS START WORKING
ON FURTHER AGREEMENTS.

NOTE: Sack Lunch - Each group take breaks as they need.

USED, WITHOUT OBJECTION,
FOR MARCH 4, 1986.
SUB-GROUP AND EXTENDED
SUB-GROUP SESSIONS.

GROUP ASSIGNMENTS

1. Reach consensus on issues

2. Put agreements on maps

    a. Include recommended boundaries by management area
    b. Identify timber suitability
    c. Identify timber management areas where trade-offs can occur with visual quality objectives, water quality, etc.

3. Take recommendations back to constituents and return with results

- -

*4. Be ready for next meeting to develop full group consensus on issues
*This assignment NOT COMPLETED due cancelation of April 3 "reporting" session of full group. (see below)

Meeting canceled by Dolly Hartman, Public Involvement Coordinator, due to complex communication problem. Coordinator took these steps in the best interest of "Group as a Whole". Coordinator acted in good faith, believing cancellation of meeting was necessary to. preserve the spirit of cooperation which has prevailed as well as discharging her obligation to the Objectives as agreed upon by the original Group at the first meeting which was held February 9, 1986 at the Holiday Inn in Coeur d'Alene:

OBJECTIVES:

*We want to CLARIFY ISSUES AND HOW WE DIFFER about them.

*We want to RECONCILE DIFFERENCES where possible.

*We are SEEKING COOPERATIVE SOLUTIONS so that the Forest Plan can be effectively implemented.

Please enter this document to the permanent record on IPNF Plan

Dolly Hartman
Dolly Hartman, Public Involvement
Coordinator

AGREEMENT PROCESS

1. The preferred method of agreement is consensus (i.e., general consent, unanimous consent). ONLY POSSIBLE IF THERE ARE NO OBJECTIONS

2. If there is one or more objections to the question at hand, then the group must vote: Simple majority rules, ---minority has the right to submit written minority report.

Minority report must include name and whom individual or individuals represent. Also include a brief statement of objections. Leave minority report with group leader.

3. Above procedure must also be used when developing map boundaries. Map can reflect majority/minority positions as follows:

____________________ majority

___...___...___...___ minority

4. All maps, etc., must be completed by deadline established by the group = ________________________
date

oberts Rules of Order is the parlimentary guide.

Direct questions to:

Dolly Hartman, Chairperson DH
Rt. 2, Box 116
St. Maries, ID 83861

Telephone: 245-2390

WORKING GROUP # A
March 4, 1986

Timber Supply and Community Stability

Primary concern, primarily in Boundary County, is timber harvest allocation of the Forest Plan. The group concerns is for the Forest Service to increase the annual Plan yield from 30 million to 43 million board feet per year in Boundary County without environmentally and un-economically unsound volumes. (Discussion indicates Parker Creek/Long Canyon Creek could not reach concensus as to proper allocation.) Sandpoint Ranger District appears to be okay.

Elk and Fish Management

Concensus with Forest Plan

Visual Management

Concensus with Forest Plan

Grizzly and Caribou Management

Present Plan is un-realistic and needs reconsideration for community stability in regards to number of areas and acres allocated for primary allocation. Prescriptions should be loosened to allow a reasonable level of other activities in grizzly/caribou habitat.

Monitoring

A monitoring system (like water quality monitoring) needs to be broadened to cover all other resources and should be appropriately funded by Forest Service to assure Forest Plan proposals were correct and change them if necessary.

Change:
Second Paragraph
Forest Service - Change 30 MBF to 45 MBF

Sandpoint Ranger District (review group approved addition to report!)

'All roadless areas in Boundary County can be available for multiple use except Parker Creek, Selkirk Crest, Long Canyon, and Salmo-Priest.'

By: Bob Larimer
Group Leader

NAME, ADDRESS	PHONE #	REPRESENTING	AREAS OF CONCERN
Bob Larimer P.O. Box 189 Sandpoint, ID 83864	263-0177	Sandpoint	Boundary County Timber Cuts Long Canyon Pend Orielle Visual Quality
Art Manley 1109 - 11th St. Coeur d'Alene, ID 83814	664-3390 667-1525	Kootenai Environmental Alliance	Priest Lake Area Long Canyon
Harold Sims Box W Bonners Ferry, ID 83805	267-2406	Bonners Ferry Chamber Mayor	Long Canyon Selkirk Crest
Bob Graham HCR 61, Box 47D Bonners Ferry, ID 83805	267-2355 Home 267-3132 Off.	Bonners Ferry Chamber	
Rober W. Burwell 2478 Wooded Acres Dr. Sagle, ID 83860	263-8685	PEL	Long Canyon/Selkirk Crest Scotchmans Pend Orielle & Priest Lakes Visuals

FOREST PLAN MEETING

SESSION 3 Mar. ~~3~~ 4, 1986

Part 1 of 3 Parts

1. General comments by Dolly Hartman
   a. Schedule of events for this evening. Group assignments given.
   b. Complete initial process tonight, discuss outside with constituents, then meet again on Mar. 27 in Coeur d'Alene.
   c. On Mar. 27, will combine revised recommendations, discuss, and see if consensus can be reached.

2. Group Session - combination of group ~~A~~ C and group B.
   a. General discussion over issues, especially on harvest levels and Wilderness recommendation.
   b. Management options of presently unroaded areas discussed.
      1. Manage essentially as Wilderness.
      2. Road, harvest, and keep roads open to full range of subsequent multiple use (hunting, firewood, etc.).
      3. Manage for non-motorized recreation by closing off commercially timbered areas with road closures after harvesting.
      4. Concern over not allowing logging crews to carry weapons in their vehicles behind locked gates. Most in group thought this a resolveable problem if limited to logging season.
   c. Concern was expressed concerning poor age class distribution when old growth was depleted. Most of group thought plan harvest schedules would take care of problem.
   d. Making future plan decisions on state-of-the-art logging and construction techinques versus past history was discussed.
   e. Discussion on advantages/disadvantages of clearcut and plant versus use of selective cuts.
      1. Problem of seedling failure discussed.
      2. Problem of turning a selective cut into an outright high-grade was discussed.
      3. Feasibility of assigning small loggers to area to plan, harvest, and insure reproduction discussed.
   f. Kris Moser answered questions concerning Fish and Wildlife.
      1. Road closures.
      2. Quality hunting and fishing areas (presently unroaded).
      3. Elk numbers and outputs.
      4. Clearcut sizes. Small beneficial (approx. 30 acres max., 1,000' maximum width), larger detrimental to game.
      5. Riparian areas. Discussed bedloading, sedimentation, and work being done by Bob Rainville (USFS).

3. Dinner break

4. Visual management discussion.
   a. Most in group felt over-emphasized.
   b. Clearcutting only an impact to non-resident light Forest user.
   c. Questioned classification of sensitive view areas. May be a problem of designation of high public use corridors.
   d. Group agreed there are some areas where visuals may be a concern.
   e. Discussion about industry/Forest Service being responsible for educating the public and not being ashamed to show visual impact of timber management.

5. Discussion of what brings money into the communities, timber management (jobs and stumpage receipts) versus recreation use.

6. Areas on consensus agreements - 5 separate areas.
   a. VISUAL CONCERN - Recommend de-emphasis of visual management concern in the Final Plan, recognizing that some very sensitive areas need management with visual conern in mind and not to preclude responsible resource management practices. Further, the Forest Service should accelerate their program of educating the public concerning temporary timber and other resource management impacts.

Eight people agreed to above; one person, Leroy Lee, disagreed and will write minority opinion.

b. BUDGET - Any option to look at intensive timber management on high sites MUST be made with realistic budget contstraints, biological impacts, and realistic evaluation of cumulative impact in mind. This is particularly a concern in looking at optimizing Wilderness high site, country. Cost of mitigation of other resource impacts should be included in this budget analysis. All nine people agreed.

c. DEVELOPED RECREATION - The amount of develoiped recreational sites should be covered by the Final Plan, with the number of sites being increased in the future. All nine people agreed.

d. MULTIPLE USE - Multiple use concepts should continue to be addressed in the Plan process. All nine people agreed.

e. MALLARD-LARKINS WILDERNESS - Boundaries for proposal for a Mallard-Larkins Wilderness Area are attached on a map overlay.

Black boundary - Leroy Lee — 197,000+ ACRES - IPNF

Red boundary - 14,000 acres Pioneer Area 2,338-Five Lakes Butte IPNF
Bill Mulligan-
Linda Burch
Richard Schumacker
Gerald Martin
Jack Buell
W. D. Thurston, M.D.

Abstained - Kris Moser, Fish and Game Department, did not participate in selection of Wilderness boundary proposal.

B & C

GROUP AND ATTENDANCE

Gary Barton	School Dist. #41
Linda Burch	St. Maries Businesswoman
Bill Mulligan	St. Joe Valley Association
Jack A. Buell	Benewah County Commissioner
Gerry Martin	St. Joe Valley Association
W. D. Thurson, M.D.	St. Maries
Leroy Lee	
Richard Schumacker	St. Maries Businessman

FOREST PLAN MEETING

SESSION 3, Part 2 of 3 parts

Spokane, Washington

March 12, 1986

Parks & Recreaction
Department

PHILOSOPHICAL DISCUSSION: (On Forest Plan--Panhandle National Forests)

Good land allocation; Forest Service went off on tangent; need good Planners and skills. 'We know we need better job.'

Great concern about Monitoring program--no money to Monitor. We need to ask for candor from Forest Service. Perhaps alternatives will have to be developed to accomplish goals.

Land allocation the key--Could increase Board Feed from prime growth areas. No need to build roads for marginal timber sites. 'Despicable practice!'

Discussion about some Buyers shying away from restrictions and burning due to possible litigation costs if burning gets out of hand.

Question was raised whether Industry would really obtain what is needed out of High Production Area cutting units? Concern expressed over age disbribution.

Question was raised about need for increased timber volume with very large surplus under contract and declining markets? Discussion continued about statistics in Forest Plan about the effects of jobs lost in the St. Maries area from Wilderness designation: From 55 a job loss of 15 was projected. Discussion about the need for a realistic definition of 'Community Stability'.

High prices due in part to poor forecasts, High Road Standards.

Considerable discussion centered on validity of Forest Service data. Some of those present were of opinion that F.S. data was questionable! Others thought overall data projected realistic volumes and needs.

Other comments: Forest Service Inventory System suspect and data faulty. Until data is accurate projections will be inaccurate. The real question is does the Forest Service know?

Opinion was expressed that Forest Service cruising system was accurate.

Concern was expressed over reliability of Models.

Question was raised as to timber availability in 10-20 years. Need to consider that there are only three countries in the world that have soft-wood timber sources to harvest. The U.S. is one of them.

Considerable discussion on merits of Turner-Nelson Test Site.

*CONSENSUS AND APPROVAL expressed about value of such tests for Turner-Nelson. Several participants had reservations for use of similar test sites without considerable research before being undertaken.

*CONSENSUS that current Budget constraints affect the Forest Service Plan as written and on the following:

BUDGET - (1) This Forest plan should anticipate a stable or declining budget.

(2) Develop methods to increase personnel productivity.

(3) Develop methods to increase timber production by:
A.) Identifying best growing sites.
B.) Fertilization and use of containerized stock to cut down on losses of seedlings.

(4) Plan needs to show linkage between budget and monitoring (monitoring is very important and the monitoring program must receive a proportionate share of funds budgeted). The Forest Service needs to show what action it will take if budgets for various programs fall short.

Discussion centered on need to identify 'Short Term' as defined for a period of 10-20 years. Possibly Roadless Areas can make up 20 year gap with a one time entry into some areas.

LONG TERM: Emphasis on better management strategies to increase production.

Political realities discussed regarding Wilderness and entering Roadless Areas to handle resource needs.

SITE SPECIFIC AREAS: Majority chose not to delineate boundaries. Majority present urged wilderness classification for Foehls Creek, Spotted Louis, Bath Tub, Copper Ridge. Reason was the area identified 50 years previous by Mort Brigham was designed to represent ecological hold on area in an unlogged condition. Same majority pointed out that number of areas they favored for Wilderness was less than proposed by Mort Brigham.

Mulligan discussed Minnesaka Creek--not accessed yet has HIGH timber values as does Bear Creek.

Concern and opinion: Poor administrative decisions caused distrust of Forest Service Stewardship. Deferred drainages producing sediment.

Dennis Baird voiced concerns about Lower Marble Creek Trail System. Believes that F/S Plan jeopardizes the System as it is now. Group agreed to obtain more information from St. Maries Ranger, Harold Wadley, with as many of those present as can to meet prior to March 27th General Session.

*Consensus that the Forest Planning process not be drawn out!

dh

By: Dolly Hartman, A/Secretary
Coordinator

Those in attendance at Part 2 of Session 3:

Sam Angove	representing	Sierra Club
Dennis Baird	"	Idaho Environmental Council
John Osborn	"	Self
Dean Lydig	"	Inland Empire Big Game Concil
Dr. Dyce Thurston	"	St. Maries people
Bill Mulligan	"	St. Joe Valley Association
Dolly Hartman		Public Involvement Coordinator A/Secretary

PART 3 of 3 for the third Session was to occur in Wallace the evening of March 14. Community Coordinator Don Hill canceled the meeting and plans to attend the March 27th meeting in Coeur d'Alene.

FROM THE ATTENDANCE ROSTERS/MAILING LIST

The following list contains the names, affiliation, and site/interest preference of those folks who personally participated at one or more regular meetings, extended sessions, or by mail (on Consensus Items, Forest Plan Options, Fish and Game Agreement) if through no fault of their own they were unable to attend any of the meetings.

****

PARTICIPANTS	AFFILIATION	SITE/INTEREST PREFERENCE
Sam Angove	Sierra Club	Mallard/Larkin Long Canyon Scotchman's Peak
Dennis Baird	Idaho Environmental Council	Mallard/Larkin Grandmother Mtn. Scotchmans Peak
Commissioner Jack Buell	Benewah Co. Commissioners Assn. Logging Contractors	Logging Mallard/Larkin Local Government
E. E. Bratley	Idaho Wildlife Federation District I	Water Quality Visual-Recreation
Gary Barton	School Superintendent	All Areas Com. Stability
Roger Burwell (alternate)	Panhandle Environmental League	Long Canyon Visual Quality Wilderness/Roadls.
Larry Bentcik	Chamber of Commerce	Dev. Recreation Elk Habitat Multiple Use
Linda Burch (alternate)	St. Maries Business Women	Multiple Use Com. Stability Unit #10 Dev. Recreation
Keith Carlson	Idaho Wildlife Federation District II	Grandmother Mtn. Marble Creek Trail
Clifford Chapman	Bonner Co. Government	Com. Stability Timber Endangered Species
Commissioner Fred Cantamessa	Shoshone Co. Commissioner	Fish & Game Agree. Timber Output
Don Crawford	Sierra Club	Grandmother Mtn. Marble Creek Trail
Bob Graham Areas	Chamber of Commerce	All Com. Stability Road Closure
Don Hill	Silver Valley Sportsman's Assn.	Elk Habitat Capital Expend.
Bob Larimer	Community Coordinator	
Leroy Lee	Citizens for Environmental Quality	Mallard/Larkin Grandmother Mtn. Com. Stability Logging Techniques
Dean Lydig	Inland Empire Big Game Council	Mallard/Larkin Grandmother Mtn. Long Canyon Scotchmans Peak

PARTICIPANTS	AFFILIATION	SITE/INTEREST PREFERENCE
Art Manley	Kootenai Environmental Alliance	All Areas Long Canyon
Jerry Martin	St. Maries Business Man	Unit #10 Incr. Timber Cut
Bill Mulligan	St. Joe Valley Association Timber Interests	Com. Stability Timber Output Land Withdrawals
Dr. John Osborn	Coordinator, Inland Empire Public Lands Council	Mallard/Larkin Long Canyon Grandmother Mtn. Scotchmans Peak
Mayor Harold Sims	City Government Chamber of commerce	Com. Stability Timber Output Road Closures
Dr. Dyce Thurston	St. Maries People-Unorganized Medical Profession	Logging & Lumber Allowable Cut Recreation
Lana Schumacker	St. Maries Business Women	All Areas
Richard Schumacker	St. Maries Extended Working Group	All Areas Mallard/Larkin
Ruth Watkins	Panhandle Environmental League	Long Canyon Visual Quality Lake Pend Orielle Wilderness/Roadls.
Mike Wellings	Idaho Forest Industries Council Timber	Timber Harvest Suitable Land

INDIAN TRIBES

Coeur d'Alene Indian Tribe, Plummer, Idaho,
Bernard LaSarte, Chairman

Kootenai Indian Tribe, Bonners Ferry, Idaho,
Ron Abraham, Chairman

RESOURCE PEOPLE

Fish & Game

Kris Moser, Area Supervisor
Tom Leege

U.S. Forest Service

Sandy Matheny
Pub. Inf. Officer
Supervisors Office
Coeur d'Alene

Harold Wadley
Ranger, St. Maries District

Don Smith
Resource Assistant
St. Maries District

ADDITIONAL COMMITTEE QUESTIONS

1. Q. What is the difference between Allowable Sale Quantity (ASQ) and Potential Yield?

R. Potential yield is a term used prior to passage of the National Forest Management Act (NFMA) that refers to the maximum harvest that could be planned to attain the optimum perpetual sustained-yield harvesting level. It included all regulated commercial forest lands including Marginal lands. Marginal lands were those areas of critical soil stability and areas not feasible to operate under current conditions. Allowable Sale Quantity is the current term and is the quantity of timber that may be sold from the area of suitable land covered by the Forest Plan. The ASQ would not include lands similar to the previous Marginal classification and would not necessarily be the maximum harvest.

2. Q. Is Allowable Sale Quantity (ASQ) related to the biological productivity of the forest?

R. The ASQ is directly related to the biological productivity of the land with consideration for economics and adjustments for other resource objectives such as wilderness, wild and scenic rivers, fisheries, wildlife habitat, and semiprimitive recreation.

3. Q. What is the maximum timber that could be harvested from the forest on a "sustained yield" basis; i.e., not cutting more than growth?

R. Harvest levels in relation to growth are dependent upon the state of regulation (age/class/distribution) of the forest. Annual growth and harvest will be equal only when the forest is fully regulated with a balanced age/class distribution. If the forest contains a disproportionate share of younger aged classes, such as is currently the situation on the Idaho Panhandle National Forests (IPNF's), the harvest level will be less than the growth, allowing the forest to build growing stock and a more balanced age/class distribution.

An analysis that maximized timber harvest over five decades produced a model ASQ of 615 million board feet (MMBF)/year for the first decade. This model analysis gives no consideration to resources other than minimum management requirements (MMR's) which are: (1) providing habitat for recovery of threatened and endangered species, (2) providing habitat for minimum viable population of wildlife and fish, (3) maintaining the 40-acre harvest limit, and (4) maintaining a minimal visual concern associated with the wild and scenic river. These MMR's are required by NFMA. This model analysis would require a budget level over four times the current level.

The high commodity alternative provided a model ASQ of 400 MMBF/year for the first decade and represented the IPNF's maximum timber alternative. This alternative gave minimal consideration to other resources with no proposed wilderness or roadless areas. MMR's for threatened and endangered species and visual quality are included. The nondeclining harvest schedule reached a long-term sustained yield of 616 MMBF/year in the fourth decade.

4. Q. What is the relationship between your "suitability" classification for land vs. the old "productive" or Commercial Forest Land (CFL) land base?

R. The old "productive" or CFL land base included all nonreserved forest land that was not nonforest or noncommercial forest and was capable of producing in excess of 20 cubic feet per acre per year. This classification did not account for designated land uses. The present classification of "suitable" includes those forest lands that will be managed for timber production on a regulated basis and does not include lands to be managed for resources that preclude timber harvest, such as wilderness, wild and scenic rivers, research natural areas, and scenic or botanical areas. The classification does account for designated land uses.

5. Q. Does the National Forest Management Act (NFMA) direct the Forest Service to develop programs without budget constraints? Have you done that or have you based some of your performance goals on maintaining adequate financing?

R. The National Forest Management Act planning regulations (36 CFR/ PART 219.12(e)(1)) require the Forests to develop benchmarks without a budget constraint. The benchmarks were developed on the IPNF with the objective of defining a range within which alternatives can be constructed.

Once this range was determined, the Forest examined a number of alternatives which displayed different ways of addressing public issues and management concerns identified during the planning process. One of the major management concerns was budget level. The Draft Forest Plan was constructed with budget limitations that reflected the Regional Forester's best estimate of budget available to the Forest during the planning period.

The Forest's performance goals respond to the most cost-efficient approach to meeting resource management objectives established in the plan.

The Forest Plan is intended to serve as a tool to shape "what, when, and how" resource projects are carried out. The budget process which consists of "when and how much" is a part of the congressional budget and appropriations process. The Draft Forest Plan depicted a single budget level, but was intended to allow for flexibility as the congressionally approved budget varies from year to year. If a particular resource function is funded less than the level displayed in the plan, it may take longer to attain that resource objective.

6. Q. Does the Forest Service have any responsibility to support local industry and communities through its timber sale programs?

R. The Forest recognizes its responsibilities to local industries and communities as NFMA directs us to "provide for multiple use and sustained yield of goods and services from the National Forest System in a way that maximizes long term net public benefits in an environmentally sound manner." There is no doubt that community stability is an important part of net public benefit, and was a major element in the establishment of the timber objective. However, the extent to which the Forest can provide for any resource must be within the constraints of a realistic assessment of capabilities. The Draft Forest Plan provided a timber program that was fit to on-the-ground capabilities by the District Rangers who actually supervise the work in the field.

7. Q. Have you done any indepth analysis on the economic effects of proposed alternative on Federal and State tax revenues? On projected 25% payments? On the communities ability to handle current obligations such as school bond obligations?

R. Detailed information on State sales tax revenues by business sector groups by county was collected from 1979 through 1985. Sales revenues and taxes paid continued to increase in all counties except Shoshone. Because the Draft Forest Plan increases both timber output and recreation opportunities, sales tax revenue associated with Forest Service outputs will be maintained or could increase.

Federal income tax information is not available due to disclosure laws. The U.S. Bureau of Census reports State Government Tax Collections, but does not report information for counties with less than 100,000 population. In order to try and assess impact on taxes, we collected information on annual payroll by major business sector (eg., Census of Manufacturers) by county. Trends in population and migration were also tracked by county to determine if there would be any impacts on the local tax base.

Payments to counties were tracked from 1960 to the present by county. Payments to counties are based on stumpage price and volume harvested by proclaimed National Forest (St. Joe, Coeur d'Alene, and Kaniksu) and then prorated back to the counties based on the amount of National Forest land in that county. On the IPNF, timber harvest and payments associated with the timber program make up to 98-100 percent of the total Forest receipts from which payments to counties are made. The two major factors that affect payment amounts are 1) the price paid for timber, and 2) the volume of timber cut each year. These factors are in turn highly influenced by the national lumber market. For example, from 1981 to 1982, payments to counties decreased 44 percent, but the timber volume actually sold decreased only 7 percent. However, the volume cut decreased 37 percent and the price paid for harvested timber decreased by 33 percent. From 1982 to 1983, payments to counties increased 56 percent; the volume sold increased by only 5 percent, the volume cut increased 78 percent, and the price paid for timber increased by 143 percent. Since the proposed sell of 275 MMBF exceeds the 1976-85 average harvest of 237 MMBF, there is opportunity for payments to increase. However, the Forest will continue to enter stands with lower timber values so the decrease in prices paid for stumpage may offset any increase in harvest.

We also worked with county auditors, the State Bureau of Finance, school treasurers, and highway district bookkeepers to determine the effect of payments on school and road budgets. School and road budgets were tracked from 1970 to the present by county.

In addition to the 25-percent fund payments, Payments in Lieu of Taxes are sent to county governments to supplement the 25 percent fund payments. The payments are based on the amount of Federal entitlement lands in the county and are limited by the amount of other Federal payments made to the county the previous year and by the county population. Payments in Lieu of Taxes (PILT) (P.L. 94-565) were tracked from the time they began in 1977 to the present by county. In addition, county offices were visited to determine the effect of PILT on each county's Current Expense Fund.

The above information is available in the Forest Planning Records.

8. Q. Was the economic analysis developed internally or through consultation with elected local, county and State officials?

R. The economic and social impact analyses were developed by the Forest Service utilizing information from local government sources and input from local residents. No formal consultation was set up with elected officials and interest varied between counties from a high amount of interest and input to no interest in involvement when approached by the Forest.

9. Q. How many people were directly involved on the economic analysis team? For how long?

R. When the analysis started in 1980, the Forest Economists from the Idaho Panhandle, Clearwater, and Nezperce National Forests met to develop a consistent analysis plan for north Idaho. Initially, the Idaho Panhandle employed a Forest economist and economic assistant.

In 1980, Donald A. Messerschmidt, anthropologist from Washington State University, was contracted to provide an outline for conducting social assessment analysis on the IPNF. Information collected on employment and income effects was developed by the Forest economist and the two Regional economists in Missoula.

In 1984, the information was updated. A "project planning team" met to develop the new analysis and to determine information needs. The team included the Regional Land Management Planning Group Leader, Deputy Forest Supervisor, Planning Staff Officer, IPNF Planning Team Leader, Forest Economist, and two employees detailed to Planning as Sociologists.

10. Q. How does that compare with the number of team members working on other planning "teams"?

R. The number of team members on a particular team depended on the issue being dealt with. For example, the team that dealt with economic analysis was made up of our Forest economist, several members of the Management Team, and other Forest and District specialists. Although, the Forest has only one full-time economist on its staff, we have been working with economists from other Regional and Washington headquarters in dealing with the IPNF's Forest Plan.

This approach was also used for noneconomic issues, such as water quality goals, where a watershed specialist would be used on a team similar to the one described above, instead of an economist.

11. Q. Idaho Panhandle National Forests. Newspaper reports indicate that 2,574 written comments were received during comment periods last year. How many of those were from Bonners Ferry? From St. Maries? Were the majority in favor or opposed to decreased timber sale programs? And yet, you are still recommending "decreases"?

R. Of the 2,500 written comments, 1,148 were from St. Maries and 278 were from Bonners Ferry. The majority of people from those areas supported an increase in timber harvest. Our assessment of community stability ~~was a major reason why our Draft Forest Plan called for maintaining~~ historical timber harvest levels rather than decreasing the level.

Many of the people who wanted an increase in timber harvest also supported other resource objectives such as fish and game habitat and high quality water. As stated in our testimony of August 21, a number of drainages are in need of a "rest" as sediment from previous timber sales is above acceptable levels. This problem has been compounded by the fact that we have not been able to enter a number of roadless areas due to court decisions and the lack of an approved Forest Plan. The problem of maintaining the current harvest level is compounded by the fact that a significant amount of the timber stands which could be harvested without serious resource conflicts are in the immature age class. These stands were created following the 1910 burn and will become available for harvest in approximately 20 years. Although the Forest will be hard pressed to maintain historical harvest levels during the next 10-20 years, the future looks bright. However, that bright future is dependent upon our ability to manage the Forest as proposed in the Draft Forest Plan. We will need to spread out the harvest which will include entering a significant number of roadless areas. This will allow water quality to improve over the next 20 years and also permit a significant increase in timber harvest after that period.

It should also be pointed out that public involvement is not a voting process. Even though some of the laws and regulations may be unpopular with some of our constituents, the Forest plan must meet legal requirements. For example, the law requires the Forest to manage habitat for threatened and endangered species that will result in recovery of that species.

12. Q. What is the ASQ fall down by constraint, i.e., grizzly, caribou, 40-acre clear cutting limit, etc.?

R. A model analysis was conducted to determine the costs of providing the minimum management requirements (MMR's) as required by NFMA. This analysis identified the increase in first period volume that would occur in the model solution by removing the individual MMR. It should be remembered that these volumes are model solutions and are not ground truthed. The first period volume increases are not necessarily an increase in the total volume produced over the planning horizon, but may be the result of a change in scheduling. For example, the volume increase due to Grizzly Bear habitat management is the result of postponing harvest to provide needed security. These timber volumes displayed below are not additive because of overlap in resource benefits, in that the one MMR may provide benefits to another. For example, meeting caribou habitat will provide old growth benefits. These values reflect the MMR's and not the objectives of the proposed plan. The following table indicates the relative increase in first period harvest that would result from the removal of any one individual requirement, as displayed in the model solution of the maximum Present Net Vale (PNV) benchmark, with all other requirements remaining in place.

Minimum Requirement	Changes in 1st Decade Timber (MMBF)
Grizzly Bear Habitat	16
Caribou Habitat	6
Water Quality/Fish Habitat	2
Old-Growth	22
40 Acre Size of Opening	67
Visuals	6

13. Q. How did you calculate the suitable land base?

R. The following table illustrates how the suitable land base was determined for the Draft Forest Plan.

	Classification	Acres
1.	Total National Forest Land (as of 7/1/80)	2,478,477
2.	Nonforest land (includes water)	8,082
3.	Forest Land	2,470,395
4.	Forest Land withdrawn from timber production (existing wilderness, wild and scenic rivers)	41,532
5.	Forest Land not capable of producing crops of industrial wood	154,587
6.	Forest Land physically unsuitable: irreversible damage likely to occur or not restockable within 5 years	269,667
7.	Tentatively suitable Forest Land (Item 3 minus Items 4, 5, 6)	2,004,609
8.	Forest Land not appropriate for timber production (such as proposed wilderness, research natural areas, scenic areas, recreation areas, grazing areas, etc.)	482,861
9.	Total Suitable Forest Land (Item 7 minus Item 8)	1,521,748

14. Q. How much land is removed from the suitable land base to meet other objectives: caribou, grizzly, elk, etc.?

R. There is no land removed from the suitable land base to meet grizzly objectives nor to meet caribou objectives under the new guidelines. The problem of availability in the first decade is scheduling the harvest to maintain the needed security. There is no land removed from the suitable land base to meet old-growth needs; the harvest of approximately 41,000 acres of existing old-growth is postponed until old-growth needs can be met in unsuitable lands. Approximately 45,000 acres of land are removed from the suitable land base to meet the needs of elk habitat by providing areas for permanent winter forage, key habitat components such as calving areas and salt licks, and security areas. These areas would be available for harvest on an unregulated basis where necessary to maintain or improve key habitat components.

15 Q. Explain the specific differences in old plans and new plans; i.e., yield and acres?

R. The previous timber management plans were developed for the three proclaimed Forests that make up the IPNF administrative unit. These plans were completed at different times and include lands now administered by other Forests. These plans generally do not account for other resource concerns as currently required under the National Forest Management Act (NFMA), although the Kaniksu plan did account for Wilderness study areas, scenic areas, and natural areas. The St. Joe plan was signed in 1961, the Coeur d' Alene plan in 1963, and the Kaniksu plan in 1975. In the 1970's, annual allowable cuts (AAC) were determined using a computer program called RAM and a land use classification system that categorized productive forest land as Standard, Special, Marginal, Unregulated, Productive Reserved, or Productive Deferred land classes (see response #16). These potential yield statements were updated as changes in land use classifications were made. These updates account for land use decisions that were not accounted for in previous plans. For example, the previous plans did not account for the classification of the St. Joe Wild and Scenic River nor did the previous plans include a Marginal land category. The last update of the potential yield statement was provided in 1979 after RARE II. There is no direct relationship between the volumes and acres because of the different methods used to calculate the values. The following identifies the volume and acreage base, excluding those lands administered by other Forests, from previous plans, the 1979 update, and the Draft Forest Plan.

	Previous Plan	1979 Update	Proposed Plan
AAC (MMBF)	275	255	250
Acreage Base (M acres)	1874	1453*	1522

*AAC includes the standard and special components of the land use classification and is regulated volume only; it does not include salvage and unregulated volume.

16 Q. Explain the differences in terminology between new and old methods. (Timber Management Planning)

R. The timber management plans before the 1970's simply classified land as nonforest, noncommercial, or commercial forest land. The land use classification system, developed and implemented in the 1970's, provided a further breakdown of commercial (productive) forest land into several categories. These classifications are:

1. Standard - land managed for timber on a regulated basis with standard rotations and product size.
2. Special - land that is given special attention in timber management.
3. Marginal - land that cannot be scheduled because of low project probability. It includes areas of critical soil and areas currently not feasible to operate.

4. Productive Reserved - Land withdrawn by statute or administrative regulation.
5. Productive Deferred - Land being studied to determine if it should be classed as reserved or nonreserved.
6. Unregulated - Land that is not providing a regular harvest, such as experimental forests.

The annual allowable cut (AAC) was calculated on the basis of the Standard and Special acres. Volume from the Marginal classification was to be added to the AAC as Marginal areas were moved into the Standard component when conditions for their classification change.

The new method of land classification is dictated by NFMA and simply identifies whether forest land is suitable for timber production or not. There are two stages in the determination of timber production suitability. The first stage looks at the inherent suitability and is determined by the answer to the following questions:

1. Is the land forest land?
2. Is the land withdrawn from timber production?
3. Is the land capable of producing crops of industrial wood?
4. Can the land be managed without irreversible damage to the soil and water resource?
5. Can the land be restocked within 5 years?

Lands that passed this first stage are termed as tentatively suitable. The second stage identifies as unsuitable those lands not appropriate for timber production. These include land determined to be unsuitable for timber production because: (1) land use designation (such as proposed wilderness) precludes timber production, (2) lands are not cost-efficient in meeting the goals and objectives of the alternative, and (3) other management objectives limit timber production to the point that minimum management requirements cannot be met.

17. Q. What is the average sell leaving out last 5 years (1981-85)?

R. The average timber sell from 1969 through 1980 was 273 MMBF. The following table shows the cut and sold levels from 1969 through 1985.

Year	Sold	Cut	Volume Under Contract
1969*	266	322	
70	351	307	
71	268	263	
72	243	251	
73	231	288	
74	279	190	
75	228	234	668
76	265	212	651
T	42	82	--
77	255	287	695
78	284	254	783
79	317	254	745
80	312	237	846
81	270	231	953
82	250	145	1,053
83	263	258	1,021
84	256	229	1,026
85	188	240	
Average			
1969-85	265	248	
1972-85	258	238	

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* No records for the St. Joe National Forest prior to 1969.

18. Q. What is the financing needed for the Forest Plan by resource.

R. The following budget display represents an adjusted version of the Draft Forest Plan budget needs. The budget was updated from the proposal displayed in the Draft Forest Plan document that indicates where we are headed with the final plan. More adjustments are anticipated.

FOREST PLAN BUDGET
(Thousands of Dollars)

Timber	
Sale Preparation and Administration	3,407
Timber Plans	187
Silvicultural Exams	961
Reforestation	1,326
KV-Reforestation	1,098
Timber Stand Improvement	1,303
KV-Timber Stand Improvement	292
KV-Other	200
Timber Salvage Sales	600
Brush Disposal	1,530
Nursery	15
Reforestation Genetic Tree Improvement	522
Total	11,441
Roads	
Road Maintenance	2,051
Construction Engineering	3,303
Capital Investment	3,200
Purchaser Credit	4,732
CWFS (primarily road maintenance)	644
Total	13,930
Trails	
Trail Construction	302
Trail Maintenance	350
Total	652
Range	
Management	85
Noxious Weeds	2
Improvement	37
Total	124
Fish and Wildlife	752
Soil and Water	727
Recreation	
Recreation	1,109
Special Uses	176
Developed Rec. Site Construction	334
Total	1,619
Minerals	231

Other	
General Administration	2,794
Fire	1,631
Fire Protection	129
Land Exchange	247
Landline location	575
Land Status	9
Law Enforcement	42
Facilities Construction	911
Facilities Maintenance	302
Total	6,640

19. Q What portion of the timber budget is used to meet other resource objectives?

R. Very little. Of the FY 1986 budget, $6,000 went to support wildlife and $2,000 went to support recreation. We reprogrammed $46,000 of timber funds to watershed to mitigate adverse impacts of past timber sales.

We are authorized under the KV Act, as amended, to collect funds for recreation and wildlife habitat improvement. However, most of these funds, if received, are used to mitigate effects of the timber sale.

20. Q. In reference to the testimony (Attachment A) given on the Panhandle NF Budget, are resource projects as displayed on page 2 of Attachment A really needed?

R. We are not sure how the budget given in testimony (Attachment A) was put together so we have attached our detailed budget for Fiscal Year 86. The projected needs given in testimony (Attachment A, page 2) came from Appendix C of the Forest Plan and represent the budget needs for the Draft Forest Plan.

As a direct answer to the questions stated above, the answer is yes.

In reference to Attachment A, page 2, the funds for the Forest Plan would be used as follows:

Wildlife and Fish

Fish habitat monitoring on a sample basis is included to assure that Forest Plan goals for fish habitat are met. Currently, the budget does not cover this need. Fish habitat improvement to maintain current populations is also included. This habitat work somewhat offsets habitat losses due to timber sales. Winter range habitat improvement on 2300 acres a year is the last item included. We are currently funded to do only a small part of this need.

Water Quality

Some monitoring is included (to assure Forest Plan compliance); however, most of the increase over the current program is to rehabilitate watershed problems due to past sale activity. Reduction of these sediment sources is key to future timber sales in these watersheds.

Recreation

The increased budget would allow us to operate our campgrounds at full service level, and provide for more visitor information services. Campground seasons would be extended to meet current demand. The additional funds would also allow us to adequately inventory and protect cultural resources.

Constructions funding allows us to meet projected developed recreation demands.

Trails and Trail Reconstruction

The increased level of funding over current would allow us to stop the deteriorating condition of our trail system. Construction/Reconstruction is needed to accomodate heavier traffic (ex: Selkirks, Mallard Larkins) and for different uses such as ORV/bicycle use. During public involvement, we heard significant comment (mostly oral) about our "poor" trails.

IDAHO PANHANDLE NATIONAL FOREST

DETAILED BUDGET

Activity	FY 1986 Budget
General Administration	2438
Fire	1257
Timber	3611
Range	59
Minerals	192
Recreation	543
Wildlife/Fish	394
Soil, Air, Water	367
Facilities Maintenance	271
Lands	236
Land Line Location	403
Road Maintenance	799
Trail Maintenance	177
Law Enforcement	55
Reforestation/Appropriated	1956
Timber Stand Improvement/Appropriated	608
Nursery	18
Reforestation/Trust	
Timber Stand Improvement/Trust	20
Nursery/Trust	
Tree Improvement/Trust	225
Senior Citizen Community Employment Program	
Knudtsen/Vandenburg	2685
Cooperative Work Forest Service	780
Timber Sale Salvage	1057
Brush Disposal	1550
Range Improvement	4
Recreation Const.	74
Facility Const.	292
Engineering Planning,Design, & const.	2505
Captial Invest	454
Trail Const.	97
Timber Purchaser Const.	903
Total	24,030

ATTACHMENT A

(Please note! The information contained in Attachment A was submitted as testimony by a citizen at the 8/21/86 hearing. Congressman Craig asked Bob Butler, IPNF Planning Staff Officer to respond to this testimony)

Panhandle National Forest Budget - 1986

Timber Budget	$2,585,000
Salvage Sales Fund	890,000
Road Construction/Engineering	3,042,000
Planning & Analysis	1,200,000
Road Maintenance	785,000
Silviculture Tree Planting	2,590,000
Tree Nurseries	3,040,000
Slash Disposal	1,550,000
Projected Timber Budget	25,000,000
Wildlife & Fisheries Habitat Improvement (About half is used on studies of habitat for threatened and endangered species. The other half of the budget goes to salaries and research connected to timber sales. EIS, Environmental Impact Statement)	372,000
Soils and Water Monitoring (3 salaried Hydrologists work out of this amount)	305,000
Recreation (100,000 is used in timber sales, visual quality studies, etc.)	532,000

Projected Needs

Wildlife and Fisheries	$680,000
Water Quality	719,000
Recreation	828,000
Trails	275,000
Trails and Reconstruction	300,000
Total	$2,802,000

ADDITIONAL SUBMITTED STATEMENT

Senator McCLURE. The subcommittee has received a statement from Jean Gray, president, North Idaho Trail Riders Organization which will be inserted in the record at this point.

[The statement follows:]

STATEMENT OF JEAN GRAY

I am here today representing several hundred individuals who support the North Idaho Trail Riders Organization. We are a group who uses motorized transportation, such as trail bikes, sno-cats and other all terrain vehicles to enjoy the outdoors here in Idaho. Our membership is not in favor of creating more wilderness in Idaho, we are in favor of allowing the public to have access to and use of the national forests which compromises a great deal of the land base here in Idaho.

Our reason for not wanting more wilderness is that most of our membership is made up of working class individuals, who have only limited time and money to spend on recreational opportunities. We all enjoy the outdoor sports of hunting, fishing, and camping, the national forests are our playground, they are our main source of recreation. We as a group do not have the time or the money to enjoy the vast wilderness we already have here in Idaho. We do feel that we need to have areas which are unroaded and somewhat remote to enjoy the outdoors in the limited time we have available. The U.S. Forest Service is currently doing everything in its power to close every nook and cranny of the land that they are supposed to be managing for the public. They are doing this by attempting to create wilderness, by simply proposing that most of the unroaded areas become wilderness, and, therefore, must be treated as wilderness until Congress makes a final decision. You have allowed them to do this, and you are the only ones who can stop them. They are additionally attempting to close a great deal of the remaining area, which is or will be roaded, in order to meet the "targets" for elk numbers and timber harvest. I would like to cite and example of this closure and it's impact on the motorized public. The Avery Ranger District, Idaho Panhandle National Forest, has recently made a update to their travel management plan, this update includes closing 270,000 acres (over 53 percent of total area on the district) to use by motorized vehicles, three reasons were given for these closures. No. 1, proposed wilderness which is roughly one-half the proposed area or about 135,000 acres. No. 2, closures to protect elk habitat, of course, road building and logging will be allowed, but not any other motorized use, this is roughly the other, one-half of the closure another 135,000 acres. No. 3, these block closures will be easier to enforce. Whatever happened to the multiple-use concept?

All of these factors are working against the person who attempts to live, work and play, in and around the national forests of Idaho. There is no good reason for the systematic closure of these public lands, only bureaucratic nonsense that has gone on far too long. We ask that you please stop these proposals of more and more closing of our forests, and take away this power you have given the Forest Service to "create" wilderness by simply stating that an area should be wilderness. Thank you.

[From the Lewiston Tribune, Aug. 22, 1986]

BUDGET AX COULD FELL NEW HATCHERY

(By Bill Loftus)

Some Idaho Fish and Game Department officials are nervously watching congressional efforts to reduce the Federal deficit and hoping a new hatchery is not delayed.

At stake is a $23 million hatchery complex that will complete an ambitous plan to restore Snake River salmon and steelhead runs.

The department's fears of losing funds for the Clearwater Station, as the new hatchery is called, surfaced during a meeting for steelhead fishermen this week at Lewiston.

Dexter Pitman, Fish and Game anadromous fisheries manager from Boise, told the audience that rumors have begun to circulate that the lower Snake River compensation plan may become a budget cutting target.

If that rumor becomes fact, that may mean tough going for the new hatchery, the last in line for Federal funds under the plan.

The pressure to reduce the Federal deficit may jeopardize even on going programs such as the so-called comp plan, Pitman said.

"What Dexter can't say because he's a public employee is to get hold of your esteemed representatives to make sure that doesn't happen," said Keith Stonebraker, Fish and Game Commission member from Juliaetta.

Evan Parrish, State hatcheries supervisor at Boise, and the department has had no word of imminent cuts to the program.

But with the mood of Congress, Parrish said, it is likely that all programs will be considered for cuts. With nothing more than rumors of possible cuts, there is little the department is or could be doing to avoid cuts that might affect the hatchery, he said.

"At this point, we have not heard anything official," Parrish said.

One thing that is certain, however, is the department is intent on seeing the hatchery become reality, he added.

"Our needs now really are to get the Clearwater back and without that hatchery we aren't going to be able to do that," Parrish said.

The Clearwater Station, which will be constructed with Federal funds through the U.S. Army Corps of Engineers, will be operated by the Fish and Game Department.

The new hatchery will be at Ahsahka, across the Clearwater River's North Fork from Dworshak National Fish Hatchery.

Dworshak is touted as the world's largest steelhead hatchery, and the new Clearwater Hatchery will produce a similar number of young fish, nearly 3 million.

Construction has already begun on a part of the hatchery complex along Red River near Elk City.

The so-called satellite facility will be used to trap returning adult fish and hold young fish before they begin their migration to the ocean.

Similar trapping and holding facilities are planned at nearby Crooked River and along a Lochsa River tributary near Powell.

The hatchery itself is now in final design. Construction on it is expected to began in October 1987, with the start of the Federal 1988 fiscal year.

Orel C. Dugger, Corps of Engineers spokesman at Walla Walla, said the Corps has not received word of any budget cuts.

Both the Reagan administration and House budget proposals call for funding the Corps' $14 million request for the program for fiscal 1987, which begins in October.

The budget request is now before a House-Senate conference committee, Dugger said.

While this year's budget request seems to be moving along, Dugger said the Corps is not predicting what might happen to future budgets.

SUBCOMMITTEE RECESS

Senator McCLURE. Any further questions? If not, that concludes the hearing this afternoon. And I do want to thank you and particularly thank our reporter, who's had to hang in there all day.

The subcommittee stands in recess.

[Whereupon, at 2:45 p.m., Thursday, August 21, the subcommittee was recessed, to reconvene at the call of the Chair.]

A REVIEW OF FOREST SERVICE PLANS TO MANAGE NATIONAL FORESTS PURSUANT TO NATIONAL FOREST MANAGEMENT ACT

FRIDAY, AUGUST 22, 1986

U.S. SENATE,
SUBCOMMITTEE ON INTERIOR AND RELATED AGENCIES,
COMMITTEE ON APPROPRIATIONS,
Emmett, ID.

The subcommittee met at 9:15 p.m., Emmett High School, 498 West Idaho Boulevard, Emmett, ID, Hon. James A. McClure (chairman) presiding.

Present: Senator McClure.

Also present: Senator Steven D. Symms and Representative Larry E. Craig.

NONDEPARTMENTAL WITNESSES

OPENING REMARKS OF SENATOR MC CLURE

Senator McCLURE. Good morning. This is the second of three field hearings of the Senate Appropriations Subcommittee on Interior and Related Agencies. The first hearing was held yesterday in Coeur d'Alene, and the final one will be this afternoon in Grangeville.

The purpose of these hearings is to receive both oral and written testimony about the effects of the Forest Service's planning process on the economy of Idaho and dependent communities.

As chairman of this subcommittee, and as in Idahoan, I have long been concerned about the Forest Service land management and allocation decisions and how they affect the citizens of local communities—those who have little choice in the fact that they must depend on the national forest either directly or indirectly for their livelihood.

About 65 percent of Idaho's lands are controlled by the Federal Government, which makes us extremely dependent upon them. Unfortunately, public discussion of these issues has tended to be polarized, and it often overlooks the majority of people who get caught in the middle of these controversies. I hope that one of the byproducts of these hearings is to give people a better understanding of how important the role of the Forest Service land management decisions are in our lives.

Education is a good example of this relationship. In Idaho, funding for education accounts for an average of about 70 percent of all

State general account appropriations. This year, it was 75 percent, a total of $451 million.

Most do not know, except in the most vague way, that another $8 to $10 million annually is returned to Idaho's counties as their part of the 25 percent of the gross revenues of timber sale receipts. By law, 70 percent of those funds must be spent for county road construction and maintenance programs. The remaining 30 percent—about $2½ million—is spent on school programs. That might not sound like much when compared to statewide spending on education, but in many specific counties and school districts, it amounts to a very significant amount of money for schools.

We'll be hearing today from some of those administrators and elected officials who represent that vast number of our citizens who tend to be ignored by those whose objective is simply to permanently halt the commodity uses of the national forests.

Senator Symms, Congressman Craig, and I were glad to hear that Assistant Secretary of Agriculture Peter Myers had placed a hold on Idaho's forest plans back in May. Millions of dollars are being spent to develop the current round of plans, yet little attention has been paid to the overall economic impact on local communities.

I want to make it clear at the outset the intent of these hearings. This is not a hearing to decide whether we should have more wilderness, or less wilderness. Those issues have been staked out in many forums many times. This is a hearing to develop facts—facts to let us know how Forest Service land management decisions affect local dependent communities. And we need to know whether or not the Forest Service is doing a good job in determining what the local economic impact is.

In looking over the witness list, it appears that we will be hearing from a good cross section of community concerns.

I know that there are many others whose names are not on the list to present oral testimony that would like to be heard. The subcommittee will accept written statements for the record until the close of business on Friday, August 29. Statements should be mailed to me in care of the Interior Appropriations Subcommittee, 361 Dirksen Senate Office Building, Washington, DC, 20510. And if you are interested and didn't catch all of that address, of course, just ask any member of the staff and we'll give it to you.

So that everyone scheduled to testify can be heard, the members of the panels today will have 5 minutes for their oral presentations. Following the presentations of all members of the panel, Senator Symms, Congressman Craig, and I will ask any questions that we may have. However, due to the limited time that we have, I hope that my colleagues will join me in a sincere attempt to adhere to our schedule.

Panel members should bring a copy of their statement to the table on my left and give it to the person—that's your right, that's over there—and you'll give that to Don Knowles who is seated there—and he may not be there all day, but whoever is seated there—if you haven't already handed in your written testimony.

Having been involved in this issue for many years, I know that emotions are going to run deep in many people who are here on both sides of the issue. Despite that, please try to contain them.

We're not really keeping track of how loud things may get on the applause meter, and that's not going to have any impact upon the final resolution of the problems. I hope there's no applause nor hisses nor boos, although sometimes the emotions indicate that people would like to do that.

I think the lights are now adjusted for the witnesses that in such a way that when the green light is on, talk, you've got unlimited time. But as soon as the red light comes on, you have 1 minute to summarize whatever else you want to say. The members of the panels, if they agree among themselves, can allocate the time to an individual or give and take a little bit on it. If you'll let us know, we'll make that adjustment.

With that, let me yield to Congressman Craig in whose district we are and who has a very intense interest in this.

OPENING REMARKS OF REPRESENTATIVE CRAIG

Mr. CRAIG. Thank you very much, Mr. Chairman. I thank all of you for coming out today to discuss and give your opinions on what is a critical issue to Idaho and its public lands, namely: the 10-year plan of management for Idaho's Forest Service lands.

There has been criticism as to why these hearings are being held. We are being criticized because there has already been a lot of hearings and information taken in over the last 2 years as the draft plans were formulated by the Forest Service on the eight major forests of our State. It is not our intent today to look at how these plans were formulated. Rather, we wish to examine how the draft plans might affect the State of Idaho if they ultimately become the plans of management for our national forests.

I think it is important now that the plans have been drafted and we've all had the opportunity to see them, that you give us your opinion as to what they may or may not mean to the State of Idaho, its communities, and the economies involved.

There are three major documents that are produced as a result of the forest planning process. Environmental impact statement or an EIS, a forest plan, and a record of decision or a ROD, an R-O-D. The EIS discloses the environmental conditions and impacts associated with a number of alternative courses of action—of activities on our forested lands, including alternative plans or alternative approaches. The ROD or the record of decision provides the supporting rational for the decision of the Forest Service and its intentions for the implementation of the environmental impact statement and the plan.

Of course, managing the forest resources which include timber, water, range, recreation, wildlife habitat are part of that planning process. We know that the plans are very detailed and very specific as to the types of activities that would be acceptable on the forested lands of this State. The planning process is, therefore, very important, and I congratulate Senator McClure for holding these hearings. It is essential that we begin to get feedback based on the draft plans and the impacts they may or may not have on the economy of the State, and the future use of those lands to determine how we might expect the Forest Service to manage them in the 10-year cycle following the plan.

Thank you very much, Mr. Chairman.

Senator McCLURE. Thank you very much. Has Janice Jensen come in?

STATEMENT OF JANICE JENSEN, SPECIAL ASSISTANT FOR NATURAL RESOURCES, GOVERNOR'S OFFICE

Ms. JENSEN. I didn't hear your instructions, Senator. How many copies do you wish?

Senator McCLURE. Just leave them with Mr. Knowles over there. Thank you, Janice.

Ms. JENSEN. Senator McClure, Congressman Craig, my name is Janice Jensen, I'm Governor Evans' special assistant for natural resources. Governor Evans is unable to be here today, but he has requested that I present his testimony before the Senate Appropriations Subcommittee on Interior and Related Agencies.

The topic before the subcommittee is of greatest concern to Idaho and to the United States. Careful management of America's vast forest resources should be a top priority among national leaders, particularly since passage of the National Forest Management Act in 1976. It is important to remember that embodied in this act is the essence of multiple use philosophy: That all resources of the forest must be protected to allow for a broad range of public uses.

While we discuss timber harvest on public lands, let us not lose sight of this congressional mandate, that public timber management must be both economically efficient and conducted on lands suitable for that purpose. As long as forest planners follow the law, considering all forest resources and uses, there should be little problem in providing reliable timber supplies in Idaho for long-term future use.

To illustrate my position, I have selected certain quotes from the State of Idaho's comments on draft forest plans. Comments from State agencies for the six most recent plans were coordinated through my office.

Regarding the Payette National Forest plan I said—and this is a quote:

> I continue to support providing adequate timber supply on the national forests where harvest is legally conducted on suitable lands and is found to be economically efficient. The proposed 70 to 74 million board foot average annual sale quantity needs to be better explained in these terms. Tentatively suitable timberlands should be mapped and the relationship between timber management and community stability should be fully discussed.

In the Clearwater National Forest plan I said:

> There is little question as to the importance of this plan to timber and tourist dependent communities in northern Idaho. The continued protection of scenic and recreational resources will help shape Idaho's promising tourism economy. Likewise, a reasonable yet adequate timber supply is essential to support a healthy and sustainable wood products industry. Idaho's wildlife heritage must also be preserved to support Idaho's growing reputation as a leader in providing superior hunting and fishing opportunities.

And finally, in comments on the Panhandle National Forest plan, I said:

> I want to convey my continuing support for the timber industry and dependent communities as they work to maintain their traditional lifestyles. I fully appreciate their current economic situation and encourage you to plan for the maximum timber harvest allowable under Federal and State law. At the same time, I recog-

nize that a balance of multiple uses must be maintained on the Panhandle national forests. I understand that too great an emphasis on timber may place your final plan in jeopardy with the U.S. Department of Agriculture [USDA], as recent rejections of two Colorado plans now indicate. My prime concern is that an adequate quantity of timber be identified which can legally support higher harvest once an increase in demand and prices for timber is realized.

After discussing forest planning and budget problems with a number of Forest Service employees and affected community leaders, it became clear that inadequate agency budgets were often at the heart of the controversy. Timber officials were not convinced, based on past history, that a 275 million board foot harvest level on the Panhandle national forests would actually be offered. Thus, by pushing for the 325 million board foot level in the plan, a 275 million board foot cut might be the realistic level to expect.

Such a cushion may make sense to one industry, but it creates havoc for a totally balanced plan of forest outputs and management activities. It appeared to me that changing how Congress funds national forests, rather than changing forest plans in a major way, might be more productive. Thus, early in 1986, I began a process through the Western Governors' Association Service to assess how western States and the U.S. Forest Service might recommend certain changes in the current funding situation. A questionnaire was circulated among western States, and in May of this year, regional foresters met in Boise with me and representatives of other Governors' offices. The final product was a resolution passed unanimously in July by the Western Governors' Association.

I have attached this resolution as part of my testimony and wish to read it now in it's entirety.

To make things brief, I'll just read the policy statement. How's that?

PREPARED STATEMENT

Senator McClure. OK. The entire resolution along with Governor Evans' statement will be made part of the record.

[The statement follows:]

STATEMENT OF JOHN V. EVANS

The topic before this subcommittee is of the greatest concern to Idaho and the United States. Careful management of America's vast forest resources should be a top priority among national leaders, particularly since passage of the National Forest Management Act in 1976. It is important to remember that embodied in this act is the essence of multiple use philosophy: that all resources of the forest must be protected to allow for a broad range of public uses. While we discuss timber harvest on public land, let us not lose sight of this Congressional mandate, that public timber management must be both economically efficient and conducted on lands suitable for that purpose. As long as forest planners follow the law, considering all forest resources and uses, there should be little problem in providing reliable timber supplies in Idaho for long-term future use.

To illustrate my position, I have selected certain quotes from the State of Idaho's comments on draft forest plans Comments from state agencies for the six most recent plans were coordinated through my office.

Regarding the Payette National Forest Draft Plan, I said:

> "I continue to support providing adequate timber supply on the national forests where harvest is legally conducted on suitable lands and is found to be economically efficient. The proposed 70-74 mmbf average annual sale quantity needs to be better explained in these terms. Tentatively suitable timberlands should be mapped, and the relationship between timber management and community stability should be fully discussed."

In the Clearwater National Forest Draft Plan, I said:

> "There is little question as to the importance of this plan to timber- and tourist-dependent communities in northern Idaho. The continued protection of scenic and recreational resources will help shape Idaho's promising tourism economy. Likewise, a reasonable yet adequate timber supply is essential to support a healthy and sustainable wood products industry. Idaho's wildlife heritage must also be preserved to support Idaho's growing reputation as a leader in providing superior hunting and fishing opportunities."

And finally, in comments on the Panhandle National Forests Draft Plan, I said:

> "I want to convey my continuing support for the timber industry and dependent communities as they work to maintain their tradi-

> tional lifestyles. I fully appreciate their current economic situation and encourage you to plan for the maximum timber harvest allowable under federal and state law. At the same time, I recognize that a balance of multiple uses must be maintained on the Panhandle National Forests. I understand that too great an emphasis on timber may place your final plan at jeopardy with the U.S. Department of Agriculture, as recent rejections of two Colorado plans now indicate. My prime concern is that an adequate quantity of timber be identified which can legally support higher harvests once an increase in demand and prices for timber is realized."

After discussing forest planning and budget problems with a number of Forest Service employees and affected community leaders, it became clear that inadequate agency budgets were often at the heart of the controversy. Timber officials were not convinced, based on past history, that a 275 mmbf harvest level on the Panhandle National Forests would actually be offered. Thus, by pushing for a 325 mmbf level in the plan, a 275 mmbf cut might be the realistic level to expect.

Such a "cushion" may make sense to one industry, but it creates havoc for a totally balanced plan of forest outputs and management activities. It appeared to me that changing how Congress funds national forests, rather than changing forest plans in a major way, might be more productive. Thus, early in 1986, I began a process through the Western Governors' Association to assess how western states and the U.S. Forest Service might recommend certain changes in the current funding situation. A questionnaire was circulated among western states, and in May of this year, regional foresters met in Boise with me and representatives of other governors' offices. The final product was a resolution passed unanimously in July by the Western Governors' Association.

I have attached this resolution as part of my testimony and wish to read it now in its entirety (See attachment):

If Congress adjusts its manner of funding national forests, orienting budgets to final forest plans as suggested by western governors, no one forest user should benefit more than another, and resource protection should be ensured.

Finally, I would like to make a few observations regarding the current timber supply study which has resulted in at least an eight-month delay in the release of up to eight forest plans in Idaho. I do not oppose this comprehensive study of timber supply effects on local economies. Indeed, my comments on the Payette Forest plan which I read earlier called for greater attention to this point by the Forest Service. I am worried about the uncertainty that the accompanying delay has caused. In no way do I object to continued research on all multiple uses affected by forest plans--and the Forest Service is committed to such study. The delay in releasing Idaho forest plans, especially those which are not from major timber-producing forests, is eroding public faith in the planning process. Those with decisions pending on major investments in Idaho, be it a timber mill or ski resort, will be faced with even greater uncertainty.

I am sure, Senator McClure, that you wish to minimize the impact of this delay on those communities that are not dependent on timber. Because forest plans can be amended at any time, I believe it is more appropriate to release the plans now and still continue the timber supply study. In addition, I suggest you request that the U.S. Forest Service expand its study to include other communities dependent on mining, recreation, tourism, and hunting and fishing industries. In other words, more detailed studies would provide information useful to all other users of forest resources, and the impacts of further delay would be eliminated.

Again, I am most pleased to provide this testimony to your subcommittee and hope your deliberations will be fruitful.

Western Governors' Association Resolution 86-021

July 8, 1986
Colorado Springs, Colorado

SPONSORS: Governors Evans, Schwinden, Babbitt, Sheffield and Anaya
SUBJECT: National Forest Plans and Budgets

A. BACKGROUND

1. Since the passage of the National Forest Management Act (NFMA) in 1976, a process for achieving sound stewardship of our national forest system has been proceeding nationwide. Individual land management plans for each national forest have been researched and drafted and are now in various stages of public review, comment, analysis or finality. Each plan proposes management directives and a combination of resources uses, termed as "outputs", which may be commodity or amenity-oriented.

2. Because the plans affect several traditional uses of national forests — timber and mineral production, grazing, hunting, fishing, and recreation — states are directly affected by these management decisions. Governors have been involved in coordinating state agency input to the plans to ensure that a balance of commodity and non-commodity uses are proposed within the scope of the NFMA. Such a balance is necessary to ensure the long-term health and productivity of our forest ecosystems, and to provide a reasonable and sustainable flow of resource outputs to benefit our states and local communities.

3. Once this balance is achieved through the planning process and a plan clears any appeals in its final form, implementing proposed management activities will be a significant challenge. Federal budget reductions and limited resources not only threaten to slow implementation, but may serve to disrupt the "balance" so difficult to attain. Administration and Congressional commitments are needed to modify current budgeting procedures so to gear funding priorities to individual forest plan implementation.

B. GOVERNORS' POLICY STATEMENT

1. The Forest Service should prepare budgets based on the resource outputs and mix of management actions proposed in final forest plans. These projected outputs and actions reflect actual resource potential in western states and will aid in relating budgetary requests to site-specific needs.

2. Congress should examine the benefits to be gained from a funding system that offers increased possibilities of accomplishing the resource management mix proposed by final forest plans. Initial results from pilot studies now being conducted on selected national forests, indicate that "lump sum" funding may provide the needed increase in cost-efficiency and ability to meet targeted outputs necessary to implement the proposed forest plans.

3. Successful implementation of the proposed forest plans, as required by the National Forest Management Act, will depend on the proposal and approval of adequate Forest Service budget requests. Congressional committees must make a coordinated and continuing commitment to fund the public-approved results of the agency's intensive planning efforts.

4. Necessary budget reductions should be spread equitably across all program elements so to impact forest activities in proportion to their emphasis in the management plans. At no time should budgets be reduced so low to fall below resource protection requirements for every National Forest. In addition, when ever budget levels for planned activities fall below 25 percent of the projected average in the forest plan, the forest supervisor should consult with the affected state(s) in determining appropriate actions. Thus, anticipated cutbacks in agency appropriations may reduce the speed with which management plans are implemented, but they will not disrupt the critical management balance inherent in the land management plans.

C. GOVERNORS' MANAGEMENT DIRECTIVE

1. WGA and governors' staff will work with key congressional leaders and western delegations to communicate the western governors' desire for a more equitable and plan-oriented budgetary procedure for the U.S. Forest Service.

2. WGA will continue close coordination with regional foresters to obtain projected outputs and actions for the western states and to interpret trends and opportunities to western governors.

3. WGA will identify appropriate roles for state government as decreasing budgets affect the ability to the U.S. Forest Service to implement forest plans.

Ms. JENSEN. Is attached, that's right.

The main points are these: The Forest Service should prepare budgets based on the resource outputs and mix of management actions proposed in final forest plans. These projected outputs and actions reflect actual resource potential in western States and will aid in relating budgetary requests to site-specific needs.

No. 2. Congress should examine the benefits to be gained from a funding system that officers increased possibilities of accomplishing the resource management mix proposed by final forest plans. Initial results from pilot studies now being conducted on selected national forests, indicate that lump sum funding might provide the needed increase in cost efficiency and ability to meet targeted ouputs necessary to implement the proposed forest plans.

No. 3. Successful implementation of the proposed forest plans as required by the National Forest Management Act will depend on the proposal and approval of adequate Forest Service budget requests. Congressional committees must make a coordinated and continuing commitment to fund the public-approved results of the agency's intensive planning efforts.

And finally, No. 4. Necessary budget reductions should be spread equitably across all program elements so to impact forest activities in proportion to their emphasis in the management plans. At no time should budgets be reduced so low to fall below resource protection requirements for every national forest. In addition, whenever budget levels for planned activities fall below 25 percent of the projected average in the forest plan, the forest supervisor should consult with the affected States in determining appropriate actions. Thus, anticipated cutbacks in agency appropriations may reduce the speed with which management plans are implemented, but they will not disrupt the critical management balance inherent in the land management plans.

If Congress adjusts its manner of funding national forests, orienting budgets to final forest plans as suggested by western Governors, no one forest user should benefit more than another, and resource protection should be insured.

Finally, I would like to make a few observations regarding the current timber supply study which has resulted in at least an 8-month delay in the release of up to eight forest plans in Idaho. I do not oppose this comprehensive study of timber supply effects on local economies. Indeed, my comments on the Payette Forest plan which I read earlier called for greater attention to this point by the Forest Service.

I am worried about the uncertainty that the accompanying delay has caused. In no way do I object to continued research on all multiple uses affected by forest plans—and the Forest Service is committed to such study. The delay in releasing Idaho forest plans, especially those which are not from major timber producing forests, is eroding public faith in the planning process. Those with decisions pending on major investments in Idaho, be it a timber mill or ski resort, will be faced with even greater uncertainty.

I am sure, Senator McClure, that you wish to minimize the impact of this delay on those communities that are not dependent on timber. Because forest plans can be amended at anytime, I believe it is more appropriate to release the plans now and still continue the timber supply study. In addition, I suggest you request that the U.S. Forest Service expand its study to include other communities dependent on mining, recreation, tourism, and hunting and fishing industries. In other words, more detailed studies would provide information useful to all other users of forest resources, and the impacts of further delay would be eliminated.

Again, I am most pleased to provide this testimony to your subcommittee, and hope your deliberations will be fruitful.

Senator McClure. Thank you very much. I hope that you're authorized by the Governor to respond to some questions.

Ms. Jensen. If I'm capable of doing so.

Senator McClure. I've listened carefully to the Governor's statement and have, of course, read not only the excerpts of comments here but other portions of the comments filed with respect to other draft plans. The thing that puzzles me—well, maybe I can turn that around a different way.

Most of us in watching the forest planning process did so with a great deal of interest. But I noticed as plan after plan was moving toward final conclusion, some of which have—they're at various stages of completion, a pattern seemed to be developing in which the allowable sale quantity was going to be substantially below previous level of harvest on those forests. Is the Governor concerned?

Ms. Jensen. The U.S. Forest Service, Mr. Chairman, provided us with information comparing what they were proposing in the preferred alternative to historical trends. And I just pulled out one of the documents given to the Governor by the Forest Service which said that sawtimber offerings would essentially remain stable under the preferred alternative.

Senator McClure. Does the Governor agree with that statement?

Ms. Jensen. The Governor has consistently said that he wishes to rely on the professionals in the Forest Service for their estimates as far as what are historical use patterns and what, you know, the preferred alternatives probably would impact.

Senator McClure. Well, yes, it's nice to rely on professional judgments, but there are independent estimates available. That's the reason that I asked. Is he just simply taking that statement by the Forest Service and saying, Well, that's the truth?

Ms. Jensen. Through each forest plan, the Governor wanted to wait until the end of the comment period to be able to receive input from a number of sources.

Senator McClure. Well, we're at that point now. What is his opinion now about the truth of that statement?

Ms. Jensen. I believe his opinion is to continue to have faith in the Forest Service until there is——

Senator McClure. Well, it's nice to have faith. I've got a lot of faith in a lot of things. But if the facts look different than the statement, shouldn't you question it?

Ms. Jensen. Well, he is anticipating the results of the timber supply study, Mr. Chairman, from the standpoint of——

Senator McClure. The allowable sale quantities are shown in the draft reports, are they not?

Ms. Jensen. They are.

Senator **McClure**. And what do those allowable sale quantities tell you or the Governor about the comparisons between those levels and past levels of timber harvests?

Ms. **Jensen**. That they are very close, Mr. Chairman.

Senator **McClure**. They tell you that they're very close. They tell me that they're about 40 percent lower than the previous questions with—not harvest levels. Make the allowable sale quantity comparison to potential yield. What is the comparison between allowable sale quantity and potential yield?

Ms. **Jensen**. Mr. Chairman, I have the document right here, I'll be happy to look at it. The one that I am looking at is the State of Idaho forest plan data, which is—at this point shows allowable sale quantity for sawtimber and allowable sale quantity for fuel wood. The historical for sawtimber is 785 million board feet. But the preferred alternative is 762 million board feet.

Senator **McClure**. Now are you looking at potential yield?

Ms. **Jensen**. I'm looking at the forest plan analysis between the preferred alternative and the historical.

Senator **McClure**. I'm asking the comparison between allowable sale quantity and potential yield.

Ms. **Jensen**. The potential yield figures I do not have, Mr. Chairman. However, the potential yield also has to take into account, as you know, various constraints that are imposed on the forests, such as, by law, concern for other multiple uses.

Senator **McClure**. Yes.

Ms. **Jensen**. Right.

Senator **McClure**. But do you know what the comparison is between the allowable sale quantity and the potential yield?

Ms. **Jensen**. I don't have those figures, Mr. Chairman.

Senator **McClure**. Does the Governor believe that the timber harvest in each forest once a plan is completed will equal the allowable sale quantity?

Ms. **Jensen**. Would you repeat your question, please?

Senator **McClure**. Does the Governor believe that once the final plan is adopted, that the harvest will equal allowable sale quantity?

Ms. **Jensen**. The Governor believes that budgets will drive the situation as far as harvest levels because of the inability of the U.S. Forest Service to prepare the sales, et cetera.

Senator **McClure**. Well, certainly they're related. But does he think that's the only factor that determines how much will actually be cut?

Ms. **Jensen**. He believes that there are a number of forces at work, of course, which are going to affect timber harvest, and that will include international trade situations, it will include a number of market forces.

Senator **McClure**. But again, does he believe after all of those forces are measured that the allowable sale quantity is going to be reached?

Ms. **Jensen**. Again, Mr. Chairman, it will depend on a whole range of factors, including how much money is allotted to the U.S. Forest Service.

Senator McClure. All right. Let me ask you this question: Does the Governor believe that the allowable sale quantity is a floor or a ceiling?

Ms. Jensen. At this point, Mr. Chairman, I believe he believes that it's an average for 10 years, a 10-year period. In other words, in one year this figure might actually go above and in another year it might actually go below. But it is considered an average over a 10-year period.

Senator McClure. He expects that over the 10-year period we'll actually cut all of the allowable sale quantity?

Ms. Jensen. At this point, Mr. Chairman, again, I cannot answer for the Governor, except that he has recognized that a number of factors must be taken into account to make those predictions. It has varied over time through history on various national forests depending on the value of the timber, the nature of the trees. So I think it would be very hard for me to put words into the Governor's mouth right now, except that he does recognize that a number of factors are involved in that.

Senator McClure. Larry?

Mr. Craig. Thank you very much, Mr. Chairman. I'm pleased to recognize the presence of a former wild cow milker, Steve Symms. Those of you who will get a good chance to look at Steve will understand why I've got to gloat a little bit.

Excuse me for a moment if I hold you on this, Janice.

We discussed yesterday Steve going to milk the wild cow last night. And I suggested to him that his life was in danger and that that was something that politicians might indulge in for the pleasure of the audience, but it would not be a wise venture. Well, Steve, I'll let you discuss that.

Senator Symms. It's better than milking your taxpayers.

Mr. Craig. All right. Well, I knew you would come up with something.

Senator Symms. I recommend it to the entire Congress.

Mr. Craig. Mr. Chairman, I appreciate the statement you have provided to us by the Governor. I think it partially reflects the concerns we have and that those reflected in yesterday's hearings, that the plans provide an adequate timber supply in balance with all of the other uses that are clearly needed, required, and mandated on our public lands. In other words, can we expect the small somewhat dependent logging communities of Idaho to be able to sustain the economic levels that they have had? Is there a timber base to do so?

One of the concerns I have is that if it dwindles below historic levels, not only will those communities die, but there is no real opportunity, for any degree of resurgence nor any alternative approach to employment in those communities. In essence, if we can't sustain a reasonable timber base in balance with everything else, we will see the death in this State of significant community populations.

Would the Governor agree with that?

Ms. Jensen. The Governor is very supportive of the timber industry, Congressman Craig, as you know.

Mr. Craig. But would he agree that if these communities could not be sustained by historically average timber harvests level, that we would see significant loss of community activity and loss of community?

Ms. **Jensen**. As you know, Congressman Craig, even if we have a very consistent or even increased supply, there is a possibility of loss of jobs due to increased technology. So there are a number of factors that may play into this.

Mr. **Craig**. Well, there are other factors, there is no question about it. And I don't know that we can expect absolutes, nor should we even hope that can be accomplished. But I am questioning whether you and the Governor believe it reasonable to assume, that communities like Weippe, Orofino, New Meadows, and Cascade—which are largely dependent upon the forest products industry—could expect under the forest plans to receive a reasonable, somewhat historical level of sustenance?

Ms. **Jensen**. That is what the forest plans have shown, Congressman Craig.

Mr. **Craig**. Well, that's where we disagree. That's one of the reasons the Assistant Secretary of Agriculture, Peter Myers decided independently to do an economic analysis. Apparently he shares the concerns of the delegation that the forest plans do not reflect these kinds of harvest levels necessary to maintain community stability. I understand from his statement that the Governor is saying: "Go ahead and adopt the plans, we can amend them along the way." He says this even when they don't reflect—at least from my point of view—the kind of community stability that we ought to be striving for.

Ms. **Jensen**. Is that a question to me, Congressman Craig?

Mr. **Craig**. Well, yes; it is.

Ms. **Jensen**. OK. Governor Evans directed me in reviewing the plans and then making recommendations to him to look at community stability in the large sense, not strictly timber but also other types of dependencies. Especially on the Payette Forest plan, the Payette National Forest made a very clear—had a very clear interest in community stability. They made the effort to look very closely at what level in their opinion would remain—would maintain community stability. They believe that they have a figure in their 74 million board feet that will do that. The Governor has no—had no reason to disagree with them and, therefore, endorsed their preferred alternative as far as, you know, the timber, the 74 million board feet.

Mr. **Craig**. OK. Well, I thank you very much for your testimony and appreciate the Governor's input into this process. Thank you.

Ms. **Jensen**. Thank you, Congressman Craig.

Senator **McClure**. Senator Symms?

Senator **Symms**. Thank you, Mr. Chairman. I've talked to a lot of forest supervisors that are very concerned about the water quality on the State and private lands having an impact on what will happen with respect to the timber plans in the future and lawsuits. Can you give me any logical reason why the Governor vetoed the bill that the legislature worked out which was supposedly—which was aimed at trying to help correct that problem; and if he did have reasons to veto it, then why those reasons weren't made to the legislature in advance so that some of the problems could have been corrected?

Ms. JENSEN. Senator Symms, are you referring to the water quality legislation?

Senator SYMMS. Yes.

Ms. JENSEN. House bill 711?

Senator SYMMS. Well, I'm not certain of the number of the bill, but it's the one that the forest industry and a wide range of people in this State thought it important to work in with the forest plans.

Ms. JENSEN. I believe you're speaking of House bill 711, Senator Symms, and I'd be happy to address that.

House bill 711 started in the House of Representatives, and there were no hearings held on that particular bill before it went through the Idaho House. Hence, there was no opportunity for the Governor to even express his concerns. Once it went to the Senate side, there was one hearing held. At that point the Governor expressed his concern that certain parts of that legislation which called for a major reshuffling of responsibility from one department to another was not in the best interest of the State for consistency and other reasons.

He directed in his veto that the agencies involved, both the Department of Health and Welfare and the Department of Lands work together to address the serious injury problem. And they are doing so on a very accelerated time schedule. They must report to the Board of Health and Welfare no later than September 15.

So the Governor agreed that something needed to be done; that the State had not adequately addressed the serious injury problem with respect to water quality standards, and that instead of accepting legislation that did not have all aspects of it in the interest of Idaho, he wanted to get at the heart of the problem and did that through directing the agencies to work it out.

Senator SYMMS. Well, thank you. Doesn't the Governor meet with leaders of the legislature periodically during the legislative sessions, I mean, regularly?

Ms. JENSEN. He tries to, to my understanding, Senator Symms. I'm not involved directly in that process.

Senator SYMMS. So there is an opportunity for input. I think it's unfortunate that that wasn't resolved prior to this planning process. From what I'm being told by some of the professional land managers in the Forest Service, this is going to create a problem in the future. But we'll—I don't have any other questions at this point, Mr. Chairman. Thank you very much.

Senator MCCLURE. Just a moment, please. You know, I realize that the Governor takes a position and staff then comes here to convey the Governor's position. And perhaps it's a little unfair to ask you questions about the Governor's position. That's not quite an equal exchange in some respects because you can't as freely express the Governor's position nor reasons for it as he himself perhaps might.

I believe it's plain, and I don't want to misstate the Governor's position, that he believes that the assumptions in the draft forest plans, those that have been expressed by the Forest Service in whatever form they are in the current condition of the plans, that he has no reason to question those assumptions. Am I correct?

Ms. JENSEN. Mr. Chairman, when the recommendations were made to the Governor on which alternaive he might prefer through the draft plans, he looked very carefully at the impacts that each would cause. As you know, in each forest plan they talked—they present what the results or the impacts of each alternative would be. Based on that information, yes, the Governor did make his choice. It was also based on public imput, the kind of letters received, the kind of information received from various representatives of various industries.

Senator McCLURE. Well, I had understood your earlier response to indicate that he looked at those, he had found no reason to differ from what their conclusions were, and he preferred to accept the recommendations of the professional managers.

Ms. JENSEN. That's his position, sir.

Senator McCLURE. That is his position. And the reason that I ask that is obviously I am concerend, I think my colleagues here at this table are concerned, that the recommendations as they are expressed in the current planning process that we've seen up until this date will result in a reduction in timber harvest. And based upon the information that we see in those plans, an unjustified reduction in timber harvest.

If I understand what the Forest Service is saying to us, Well, don't worry about that because that isn't true because if you look at historic harvest levels the allowable sale quantity is close to the historic harvest levels, and the Governor finds no exception to that or no problem with that kind of a comparison.

Ms. JENSEN. Mr. Chairman, it's obvious that the Governor is concerned about how much of the targeted level is harvested. He recognizes that it often is a factor of budget, of what the Forest Service can do. It's also a factor of economics; whether these sales as they are put up are even economic to bid on. So whether—the forest plans are trying not to guess what those factors might be, but rather to present a balanced approach to what the forest can handle as a resource. The Governor would rather take the Forest Service planning approach as a good basis for looking at how all of these different multiple uses interact.

As far as guessing what can go on in the future as far as price, as far as amount of money coming from the administration for funding Forest Service activity, these things cannot be projected in the plan. And that's—the Governor's position is to go along with the plans as far as their projections can do so.

Senator McCLURE. Does the Governor agree with the action taken in the House of Representatives in the budget this year with respect to the budget for the Forest Service?

Ms. JENSEN. At this point, Senator McClure, I haven't discussed that with the Governor so I don't know his position.

Senator McCLURE. Have you seen the budget as suggested by that in the House of Representatives?

Ms. JENSEN. I have not looked at it personally, Senator McClure. I have heard some things about it. But I would be—it would be premature for me to give any opinion.

Senator McCLURE. What do you think the national forest harvest levels should be? What should we be budgeting for in billions of board feet?

Ms. JENSEN. Senator McClure, I honestly don't know what we should be budgeting nationwide. It should probably come from the forest plans. If I'm representing the Governor's position here, he believes that those numbers should come from the resource levels up rather than from the top down as far as what the aggregate of the national forest plans might show.

Senator McClure. Well, I would agree with what Congressman Craig has said, I guess we've come to a point where at least we should understand our disagreement. I can't read the forest plans and the cumulative impacts of those forest plans in Idaho without saying I will predict—and I have said so before and it's no surprise—I will predict that sawmills will close, and timber harvest levels will be reduced, and timber dependent communities will find economic distress under the aggregate of those forest plans. You and the Governor seem to believe that that's an unfounded fear.

Ms. Jensen. Mr. Chairman, again, I think it's important to recognize that there are a number of factors that could contribute to hardship in the timber industry.

Senator McClure. Yes; but the——

Ms. Jensen. And the Governor feels you need to address all of those issues separately.

Senator McClure. Well, in other words, if the forest plan causes economic distress, don't worry about it, there are other things that will too?

Ms. Jensen. Mr. Chairman, I don't believe I said that.

Senator McClure. Well, that's what comes through to me. I read a lot of nice words in the statement. It says, Don't worry, folks, everything is going to be all right. And I can look at the plans—and I can't look at those plans and believe that everything is going to be all right. And the Governor reiterates, and you do this morning, Don't worry folks, those forest plans aren't going to cause you any trouble. You may get trouble from someplace else, but it won't come from the forest plans. And that I cannot accept as a reasonable or responsible position, although you and the Governor are entitled to yours.

Senator Symms. Mr. Chairman, if I might just say further—I don't mean to interrupt you.

Senator McClure. No; that's fine.

Senator Symms. I think what the chairman is trying to get at and where we have this disagreement is that on one hand we're concerned about the education of the children in the State of Idaho. On the other hand we hear the Governor endorsing forest plans which we think will bring about a loss of 2,000 jobs in Idaho. I guess that if that's his idea of good economy, it means we'll have to rely on the people's children that live in the State now to be the tourists to come back and visit, as Senator McClure commented earlier. But I don't think that will generate the kind of an economic base to educate the children that live in this State.

So I think there is a conflict here. So I would urge you to go back and rethink your position, and the Governor to rethink his position, because if we accept the forest plans as they're now proposed—and I think Senator McClure and Congressman Craig and I were all pleased that the new chief of the USDA put a hold on those plans—we're talking about severe hardships to the people that work and live in Idaho. And I think there definitely is a conflict here. We're talking about at least 2,000 jobs. Thirty-eight percent of the land in Idaho is managed by the Forest Service. And I personally think there are a lot of good people in the Forest Service that would like to use the other alternative, which would call for more cutting of timber and a higher wood production alternative, which is one of the plans that wasn't selected.

So I think the position of the State should be to try to work this out with the Federal Government. But if we're short 225 million board feet of timber, Mr. Chairman, we're in big trouble. And it is disappointing to me to have the Governor of our State come in here advocating something that we know is going to be bad for education in Idaho, bad for employment in Idaho, and bad for the overall sustained economy of the State, and then come out on the other side and say that he's for all the other things because you simply can't squeeze blood out of a turnip. You've got to have production in the State to pay the bills. And I think we'll hear some of that from some of the superintendents that are going to testify. But thank you very much. Thank you.

Ms. Jensen. Mr. Chairman, may I just mention that there is one thing that the Governor is quite concerned about and that is the proposal by the administration to base the shared receipt program on net receipts rather than gross receipts.

Senator McClure. We've solved that.

Ms. Jensen. You have? Well, that's good.

Senator McClure. And that's not going to happen again. I'm glad the Governor agrees with the position we took some years ago.

Might I ask again, because I'm not sure that I got the full title or your full responsibility in the Governor's administration.

Ms. Jensen. My title is special assistant.

Senator McClure. For any particular area?

Ms. Jensen. Natural resources and nuclear waste issues.

Senator McClure. I'll just note for the record, I wish the Governor had—perhaps there is some symbolism, perhaps it is an accident—I'm not going to ask you to comment, although certainly you may if you wish—that the Governor sent somebody who is involved in that area much more rather than somebody who is involved in economic development and the jobs area that is also a responsibility of the Governor's office. And he has people who look at that area too, as I understand it. Maybe we can read something into that. Thank you very much for your testimony.

Ms. Jensen. Thank you, sir.

Unidentified Man. Mr. Chairman, you ask the lady a question that she couldn't answer. I have those figures here and I would like to reveal them now and she could write them down and then she'll have them.

Senator McClure. Well, we'll have a chance to get into that later. Thank you.

STATEMENTS OF:

EVERETT HOWARD, SUPERINTENDENT, McCALL-DONNELLY SCHOOL DISTRICT

VIRGINIA PIERCE, IDAHO PARENT-TEACHERS' ASSOCIATION

Senator McClure. We'll next hear from a panel: Everett Howard, superintendent, McCall-Donnelly School District; Gene Novotny, superintendent of schools, although I suppose he might not be able to be here this early this morning. He had another commitment. He'll be here before the morning is over. Clark Gardner, superintendent of schools, school district 71; and Virginia Pierce, president of the Idaho PTA.

Mr. Howard.

STATEMENT OF EVERETT HOWARD

Mr. HOWARD. Thank you. Senator McClure, Congressman Craig, Congressman Symms, we appreciate this opportunity. Thank you very much for the opportunity to provide testimony regarding the Forest Service planning process.

The McCall-Donnelly Joint School District is very much concerned with the outcome of the plan. The reduction in sale of timber would affect our school district in many different ways. The loss of jobs in both the timber industry and related industries would have a devastating effect on our legal economy. This could also cause a decline in our enrollment, which would reduce the funding from the State of Idaho.

We receive forest funds each year which play a vital role in the financing of our school district. Even though the funds have fluctuated drastically over the last several years, we are still very dependent upon them.

The following list shows our annual forest fund receipts since 1975 and their significance to the total budget. Rather than going through all of those, Mr. Chairman, you have the list and I'll just highlight some of them. Over this period of time we have gone from 1975, $100,000 approximately in receipts, to a high in 1977-78 of $364,000. In most cases this is running approximately 3 to 5 percent of our budget, as I have reported from our annual audit dealing with the general expenditures and including forest funds. As I have indicated on the 1985-86 figures, they have not been audited as yet but they will run approximately $117,000 out of approximately a $2.6 million budget. Again, about 3 percent.

The rapid increase in the cost of educating our students, coupled with poor economic conditions, forces us to run supplemental levies each year. Any reduction in forest funds would result in the need for an increase in the supplemental levy. The levies are becoming more difficult to pass each year. Our first supplemental levy this year failed, and in order to pass the second one, we made reductions which will have—or will be detrimental to our educational process. Undoubtedly we will be forced to make many more in the future. Our employees are like others in the area. They did not receive pay increases, even though the cost of living continues to increase. You can see that any reduction in forest funds would be catastrophic to our school district.

On behalf of the McCall-Donnelly Joint School District and the people of McCall, I would encourage the subcommittee to carefully analyze the national forest plan and strongly recommend major changes to allow more timber harvest and sales in the State of Idaho. Thank you, Mr. Chairman.

Senator MCCLURE. Thank you. Virginia Pierce.

STATEMENT OF VIRGINIA PIERCE

Ms. **Pierce**. Thank you, Senator McClure. I want to thank your office for asking us to be here today. And if I could take the privilege of a personal comment right now, I'd like you folks to know that when Senator Symms and I went to school together, that he spent most of his time in the classroom studying his books, instead of milking cows, getting ready for his future.

Senator **Symms**. Thank you. That's what I try to tell my children too.

Ms. **Pierce**. I think he's right.

Senator **McClure**. You've just destroyed your credibility.

Ms. **Pierce**. Oh, shucks. Well, back to the seriousness of this now.

When I was first asked if I could prepare testimony representing the Idaho PTA, I was somewhat aghast because I realized that I know very little about the Federal forest lands and the funds channeled into our educational system. Furthermore, why didn't I know anything about it? After doing some reserach, I think I answered one of my own questions. My children attended the Boise schools and I'm very proud of the education they received in this district. They were provided with every type of course work and learning experience they needed for their future. When I looked at the amounts of money received from the forest funds, I discovered that last year Boise received $129.54. Therefore, no impact on my children's education; therefore, no wonder I was not concerned or particularly interested.

However, the Idaho PTA is on record as supporting a quality education for all children in Idaho, which fortunately or unfortunately means adequate funding to support this cause.

Our interest in this particular issue regards the dollar impact on education through the use of our Federal forest lands. From information I reviewed, there are about seven counties in Idaho where the majority of these funds are channeled into. These seven counties receive 81 percent of the receipts. Unfortunately for the schools, but again fortunately for the counties, 70 percent of this goes to the counties, used for roads, bridges, repairs, et cetera, and 30 percent goes to the school district. This 30 percent ends up basically in the northern part of the State. In 1985–86, $7.8 million was received in Idaho through Federal forest income. This is down from $14 million, from what I can look at, in 1977. Of the $7.8 million, the schools received $2.3 miilion.

Please note again, this money is used in approximately 15 school districts in the northern part of the State, based on their school enrollment. It's obvious these funds are used in the total picture of the budgets for those school districts which receive the money; $2.3 million can mean a lot to 15 school districts.

If I understand correctly, the current forest plan proposals basically want to maintain at least current levels of timber sales which could create a potential loss of funds simply based on inflation alone. Remember, this would be down from the $7.8 million received last year. What do we replace this or any loss of funds with? How could we continue to improve in our roads, repairs? How do we improve in the quality of our educational system?

In reviewing the information from the Idaho Forest Industry Council, it was interesting to note their thoughts on the need to increase rather than decrease the timber sales over the current levels in order to avoid even further loss of timber jobs, payrolls, and State revenues which are returned back to the communities, including the schools.

Since the majority of this income is based on contracted use of these lands, it is hardly considered stable. However, if people impact on an area and contribute to the tax load, there should be some recourse to help offset the public services in these areas.

Considering the national trend for tax reform, reducing the national debt, lowering taxes, there is no doubt education will take its lumps when it comes to distributing the dollar, meaning less dollars for education. If there is any proposal which reduces or eliminates and no plan to increase the Federal forest funds to Idaho, can public education afford this loss along with other reductions? How much more can we reduce the money which reflects the quality education of our children? Why not increase the timber sales as the Idaho forest industry has suggested? Why not add back in 2,000 timber industry jobs, as Senator Symms says; 4,000 related industry jobs; $40 million in timber payrolls; $2 million in State tax revenues; $2.5 million more into the schools and the counties? Why delay the planning process? Why not give back to the schools? Don't take away.

In closing, I'm going to leave you with one thought, and this same thought arises each I have a need to research the funding for education of Idaho citizens. What are the alternatives? When do we as citizens say: No more, enough is enough? Do not continue reducing the funds. Maybe we should look at some alternatives? How do we replace such things as in the Meadows Valley School District, the McCall School District, those positions which they have already cut: teaching positions, counseling positions, assistant coaches, spring sports, maintenance and supply budgets, field trips? How do we get them back? What will the alternatives be?

Thank you very much.

PREPARED STATEMENTS

Senator McClure. Thank you very much. Are either Mr. Novotny or Mr. Gardner here? If not, we'll hear them later today if they arrive before we close the hearing.

We will insert your prepared statements in the record at this point and then move on to some questions.

[The statements follow:]

Statement of Everett Howard

Thank you for the opportunity to provide testimony regarding the Forest Service planning process.

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We receive forest funds each year, which play a vital role in the financing of our school district. Even though the funds have fluctuated drastically over the past several years, we are still very dependent upon them.

The following list shows our annual forest fund receipts since 1975 and their significance to the total budget.

	Forest funds [1]	Exp. gen. and forest funds [1]
1975-76	$100,809.31	$870,063
1976-77	275,618.44	1,014,916
1977-78	364,281.59	1,119,983
1978-79	305,048.85	1,428,666
1979-80	203,952.53	1,393,240
1980-81	226,206.04	1,562,345
1981-82	100,057.63	1,785,466
1982-83	56,286.04	1,909,703
1983-84	106,358.04	1,955,126
1984-85	86,973.81	2,449,643
1985-86	(2)	(2)

[1] Source: Annual audits.

[2] Audit not complete.

The rapid increase in the cost of educating our students, coupled with the poor economic conditions, forces us to run supplemental levies each year. Any reduction in forest funds would result in the need for an increase in the supplemental levy. The levies are becoming more difficult to pass each year. Our first supplemental levy this year failed, and in order to pass the second one, we made reductions which will be detrimental to our educational process. Undoubtedly, we will be forced to make more in the future. Our employees are like others in our area. They did not receive pay increases, even though the cost of living continues to rise. You can see that any reduction in forest funds would be catastrophic to our school district.

On behalf of the McCall-Donnelly Joint School District and the people of McCall, I would encourage the subcommittee to carefully analyze the national forest plan and strongly recommend major changes to allow more timber harvest and sales in Idaho.

STATEMENT OF VIRGINIA PIERCE

I want to thank Senator McClure's office for the invitation to participate in this hearing.

When I was first asked if I could prepare testimony representing the Idaho PTA, I was somewhat aghast because I realized that I know very little about the Federal forest lands and the funds channeled into our education system, furthermore, why didn't I know anything about it. After doing some research, I think I answered my own question. My children attended the Boise schools and I am very proud of the education they received in this district. They were provided with every type of course work and learning experience they needed for their future. When I looked at the amounts of money received from the forest funds, I discovered that last year Boise received $129.54. Therefore, no impact on my children's education, therefore, no wonder I was not concerned or interested

However, the Idaho PTA is on record as supporting a quality education for all children in Idaho which fortunately or unfortunately means adequate funding to support this cause.

Our interest in this particular issue regards the dollar impact on education through the use of our Federal forest lands. From information I reviewed, there are about seven counties in Idaho where the majority of these funds are channeled into. These seven counties receive 81 percent of the receipts, unfortunately for the schools, but fortunately for the counties, 70 percent of this goes to the counties, used for roads, bridges, repairs, et cetera, and 30 percent goes to the school districts. This 30 percent ends up basically in the northern part of the State. In 1985-86, $7.8 million was received in Idaho through Federal forest income. This is down from $14 million in 1977. Of the $7.8 million, the schools received $2.3 million.

Please note again, this money is used in approximately 15 school districts in the northern part of the State, based on their school enrollment. It's obvious these funds are used in the total picture of the budgets for those school districts which receive the money. $2.3 million can mean a lot to those 15 school districts.

If I understand correctly, the current forest plan proposals basically want to maintain at least current levels of timber sales which could create a potential loss of funds simply based on inflation. Remember, this would be down from the $7.8

million received last year. What do we replace this or any loss of funds with, how do we continue to improve our roads and repairs, how do we improve in the quality of our education system?

In reviewing the information from the Idaho Forest Industry Council it was interesting to note their thoughts on the need to increase, rather than decrease, the timber sales over the current levels in order to avoid even further loss of timber jobs, payrolls, and State revenues which are returned back to the communities, including the schools.

Since the majority of this income is based on contracted use of these lands, it is hardly considered stable, however, if people impact on an area and contribute to the tax load, there should be some recourse to help offset the public services in these areas.

Considering the national trend for tax reform, reduçing the national debt, lowering taxes, there is no doubt education will take its lumps when it comes to distributing the dollars, meaning less dollars for education. If there is any proposal which reduces or eliminates and no plan to increase the Federal forest funds to Idaho, can public education afford this loss along with other reductions. How much more can we reduce the money which reflects a quality education for our children?

In closing, I am going to leave you with one thought, and this same thought arises each time I have a need to research the funding for the education of Idaho citizens, what are the alternatives. When do we as citizens, say, enough is enough, do not continue reducing the funds, maybe its time to look at some alternatives.

Thank you.

Senator McClure. Senator Symms, do you have questions?

Senator Symms. I don't have any questions. I want to thank both of you for an excellent statement. And I think that the statement from the McCall-Donnelly School District is really graphic of what the problem is when you just look at the numbers. And then your statement, Virginia, also makes the point.

There is an alternative plan that would allow for more timber sales, and I think that you are quite correct. It's time we really carefully examine some of the alternatives because the education of our children is something that cannot be overlooked. And when I see the problems you have, you—you tried to pass one bond and lost it and had to cut back some more. So this means that you just have to go without certain things in the McCall-Donnelly School District in order to get the patrons to support it; is that correct?

Mr. Howard. That is correct, Congressman Symms.

Senator McClure. Had we not reduced the amount of money that was coming from the timber, then you would be in a stronger position and not need the bond levy or the override?

Mr. Howard. That is correct, yes.

Senator McClure. OK. Well, thank you very much. And I want to thank you, Virginia, for noting to my senior colleague that I was really spending most of my spare time in the library when I was in high school.

Ms. Pierce. I can assure you he was doing that.

Senator Symms. OK, thank you.

Senator McClure. Just a moment, please. Congressman Craig.

Mr. Craig. Thank you very much, Mr. Chairman. Virginia and Everett, thank you for coming and testifying.

Virginia, you're not unlike a lot of other people in your opening statement in which you said: "I didn't know much about it and I didn't really care" until you began to dig into it. Unfortunately, there are an awful lot of people who look at what we do on our public lands in a relatively simplistic way. Activity is either viewed as development or no development; degradation or no degradation, depending on the terminology used.

It's a rather simplistic, tunneled approach, and fails to recognize the true ramifications of the plan and what the implementation of that plan and process are all about. I believe your statement reflects the realization that we're talking about really big dollars. One way or the other, it's big dollars—whether we're discussing the financial gain for education resulting from sustained historical harvested levels or the loss of this money if the plan makes Federal timber unavailable. I appreciate the statistics you've produced, because I think it's reflective of what Everett has said as it relates to the McCall-Donnelly School District. The simple question remains, how would you replace the money?

Mr. HOWARD. It's very difficult to replace the money. At this point I don't see any way to replace it. With the economy down, the people just can't afford the taxes.

Mr. CRAIG. Is it anticipated that the McCall-Donnelly School District will develop high technology and electronic companies and see a new industrial base emerge in that valley?

Mr HOWARD. That would be a nice thought, but I don't think it will ever happen.

Mr. CRAIG. I doubt it will happen. What about McCall? McCall has opportunity, potential for tourism, recreation, and development—can you compare the forest funds you receive to the new moneys coming in as a result of tourism and recreation? Is there an offsetting dollar-for-dollar factor?

Mr. HOWARD. Not that I can determine, no, there is not.

Mr. CRAIG. In other words, the tax base of Valley County is not increasing relative to the increase in tourism and recreation and the decline in forest funds?

Mr. HOWARD. That's my understanding. At least as far as the school district is concerned, we cannot determine any increases. Although we see some increase in the market value, it's not significant enough to make up the differences.

Mr. CRAIG. A Bonner County commissioner gave us a statistic the other day that I thought was really significant. I asked the question: If you lost the current base of forest funds, what kind of economic activity would have to appear in that county to make up the difference? He said that the population of Bonner County would have to double to see the difference.

Do you know if Valley County or the county commissioners or the school boards have looked at the possibilities for offsetting the effect of those kinds of losses and determined what type of an increase you would have to anticipate?

Mr. HOWARD. To my knowledge, the school districts have not. Now the county commissioners may have. That I couldn't tell you.

Mr. CRAIG. I thought that statistic the other day was phenomenal. I don't think anybody in Valley County would want to see their population double to offset the loss that could occur on a progressive basis from declining timber harvests.

Mr. HOWARD. I'm sure they would not. Most of the people are content with the type of area they live in or they wouldn't live there. It's very desirable and that's part of the life in Valley County.

Mr. CRAIG. Well, that's the same conclusions I drew. Thank you both very much for your testimony.

Senator McClure. You point to one of the dilemmas that you face right now with a reduced level of forest funds coming. You have to go and ask for override levies. What would happen if the mill in Cascade closed?

Mr. Howard. Well, it would have a very dramatic effect on our community because many of the people working at the mill do reside in the McCall area, McCall and Donnelly.

Senator McClure. If we look at the economic area not just in Valley County, there are mills in Cascade, Horseshoe Bend, Emmett, Council, and Tamarack, and if I look at the long-range effects of the forest planning process on the forests from which the timber must come to sustain those sawmills, there will be two of those five closed. Certainly one, probably two.

Now I don't know which ones they might be, but it isn't just a prorata reduction that's spread evenly across the district or across the area. Some one or two communities will be devastated. And I guess if I were—I shouldn't say it, but obviously the economic impact if it were the Emmett mill that closed would be less keenly felt here than it would be in the other four communities because the other four communities have even less diversity in their economic base.

But let's look for a moment, too, at what that does to communities that don't have alternatives. Emmett is changing in many respects. It used to be very easily said half timber, half agriculture. But now Emmett is increasingly a bedroom community for the Boise Valley. But let's take a look at Council or Cascade. There are two economies with a slight and growing third. There is agriculture, livestock on one side, timber on the other and some tourism, particularly in Valley County. Horseshoe Bend isn't going to grow much from tourism, I don't believe, and not immediately. I don't think Council is going to grow much from tourism immediately. I don't see Tamarack has much opportunity for dramatic growth in tourism.

So we've got a very limited agriculture base certainly in Tamarack, that's Adams County, so you have two mills in the same county. But if either of those mills should close, there would be—all of the burden of community resources would be shifted to the agricultural base. And that agricultural base is stretched to the limits of its capacity to survive now. And I think it would just be absolutely unthinkable in terms of the consequences for that community.

There are two other communities where the mills have closed, McCall and Riggins. And McCall has a growing tourism industry, a recreation industry, and Riggins has a very booming river floating community that has provided an economic input to that area. But there's also been a shift to the livestock industry that hasn't had a good year in 15 years. And I'm very much concerned.

I also know one thing that I think everyone should be aware of—and I hope the Governor will become aware of—and that is when you look at averages, the period from 1980 through 1986 is a very unusual period. Starting in 1981, the housing industry was completely dead because deficit policies embedded in spending programs of the Federal Government, dominated by a Congress that wouldn't see that problem, brought about high interest rates that completely stifled the housing industry, and forest receipts dropped dramatically. If you include that period in your averages, you put a ceiling on your hopes. You can't recover.

And I take the time to make that comment only because I think your figures illustrate very starkly just exactly what happened to one district as a result of that, and the lack of ability to get back to a more normal period, if you're averaged down, to the worst performance we've seen.

And the same thing I think is evident with respect to the testimony we have on behalf of the Idaho PTA. If we look—if we ignore the plight of our neighbor, we beggar ourselves as well. I appreciate the testimony both of you have brought to us this morning.

Mr. HOWARD. Thank you.

Senator McCLURE. Thank you.

STATEMENTS OF:

WILLIAM CONRAD, CHAIRMAN, GEM COUNTY COMMISSION BOARD AND CHAIRMAN, DISTRICT 3 COMMISSIONERS

JONI FIELDS, MEMBER, IDAHO WOMEN IN TIMBER

ADOLF HEINRICH, CHAIRMAN, VALLEY COUNTY BOARD OF COUNTY COMMISSIONERS

Senator McCLURE. Next panel: Bill Conrad, Joni Fields, Buzz Berick, and Adolf Heinrich.

Mr. Conrad.

STATEMENT OF WILLIAM CONRAD

Mr. CONRAD. Honorable Congressman, colleagues and friends, I am Bill Conrad, chairman of the Gem County Commission Board. I'm chairman of the district 3 commissioners. I would like to take this opportunity at this time to welcome everyone to Emmett and Gem County.

The proposed timber reduction would really hurt Idaho as a whole and the timber county in particular. Even though Gem County does not have a large area of timber, the amount of funds we derive from timber is important to our economy.

The main industry in Gem County is the Boise Cascade plywood and processing plant, which is the largest plant in this area. With timber coming from timber counties of Adams, Valley, and Boise and being processed here, it gives us employment year-round for about 250, 300 people.

With a cutback in the timber harvest, it would slow down the Emmett plant, endangering the local economy. We must remember that this would lessen the income of the Federal Treasury also.

With the 1-percent initiative passed in Idaho and the threat of losing revenue-sharing dollars every year or two, we cannot afford to lose the timber dollars too.

With Idaho being heavy in timber and the counties having depended upon the timber revenue for so long, it just isn't feasible to run the counties without these funds unless other alternatives are found. Thank you.

Senator McCLURE. Thank you. Joni.

STATEMENT OF JONI FIELDS

Ms. FIELDS. Could you excuse me and go ahead with Mr. Heinrich? I left my copy over there. I'm awfully sorry.

Senator McCLURE. Go ahead.

Ms. FIELDS. I guess I was too eager to get up here; I beg your pardon.

Senator McClure, Senator Symms, Representative Craig, I'm Joni Fields and I live up in Donnelly, just 10 miles south of McCall in case some of you haven't heard of Donnelly. I'm a member of Idaho Women in Timber. We're an organization of women active both statewide and throughout the Northwest who support the concept of wise and productive use of our national resources. We support multiple use of our national forest lands and have focused our efforts on educating the public in this regard.

Our aim since formation in 1978 has been to be well informed on issues such as is pending at the present time, the forest management plan. We feel this plan is indispensable to the entire economy of our State.

Inasmuch as 67 percent of our forest lands is federally owned, it's a wonder, under the present stringent laws and requirements imposed upon the timber industry, they have been able to survive at all. As you have already heard, we've had several mills close down, and there is a possibility of more if we do not get the supportive action on this bill.

The present goal of Women in Timber is to encourage our Washington delegation, which includes our present panel, to continue in their efforts to get forest management plans passed as mandated by Deputy Forestry Director Peter Myers that will demand Forest Service make enough allowable timber available for at least a 10- to 15-year concrete plan; one that cannot be appealed at every turn. I would like to add that we do not believe that these plans should be left pending for more stay.

The phrase "designated for further wilderness study or further planning" has become an old wornout cliche, which in literal terms means "locked up land." The time for studies has passed. It's time for action.

This year the U.S. Forest Service will develop long-range plans for management of the Nation's forests in all our Western States. These plans, which our Idaho delegation are diligently working on, can be permanent guidelines for economic stability of our forest resource based communities by maximizing management for our wood products. If not implemented, can be the cause of declining employment, loss of taxes, especially school revenues, as you've heard, and more importantly, the actual livelihood for thousands of citizens in our State of Idaho.

In my county alone, Valley, which Everett gave you some figures on awhile ago—I checked with him also on this—we received $117,000 in the 1984-85 school year. At our highest, at one time it was close to $500,000 as I recall. It was about $475,000. This was during the good time of the timber industry. In Cascade last year, which is in a different school district, theirs came to $150,000 at the higher.

School bond overrides cannot compensate for the loss of our timber revenue. As Mr. Everett explained, we've tried this. It was finally passed in McCall, but Cascade passed the first time because they were not having to require quite so much increase.

In developing their plans, the Forest Service is required to take into account the impacts of timber harvesting on the environment and wildlife. This is fine. We agree with this entirely. We have the utmost respect for the Forest Service. However, at this time, Idaho Women in Timber and the wood products industry as a whole believe that the Forest Service's plans do not adequately consider the wood products needs of the entire country, not only the State of Idaho, and the tens of thousands of citizens who rely on actual timber harvesting and production of lumber for jobs, as well as the thousands of jobs that come from timber-related industries and the products that are derived from wood.

They are recommending 679 million board feet, excuse me. That's what the Forest Service is recommending in their current plans. We need 900 million board feet in order to operate at current standards. These are already below the levels at what we actually should have to maintain stability in these communities. And as Senator McClure said, this is not on a pro rata basis. It doesn't say that we can take this money and spread it out all over Idaho and give a little bit to each person. If these two mills close down, Council and Horseshoe Bend might just as well be off the map. I'm not saying this to be facetious, but it's a reality, and as the lady from the PTA said, she wasn't aware really of how important the forest industry was to our economic process in Idaho.

For an actual everyday need, the Idaho Women in Timber took a survey with the help of the American Forestry Institute. It takes 1 acre of productive trees per person each year to supply the daily needs of every American, or approximately 236 million acres of forest land available and on a sustained yield harvest of timber. Yes; we have that available, and we all know that we have that available, if it is not locked up in appeals or in wilderness designation or held over for more studies by the Forest Service and environmentalists.

Another figure which may be of interest to you is that including the Forest Service and the timber industry, we replant 1,990 billion seedlings annually. That's eight trees for every man, woman, and child in our country. Now I ask you, is the forest industry doing their part to propagate the care for the trees for future generations? We've been accused of not doing so. Those figures there should clarify that matter.

Then I would like to speak just a few words on utilizing our burned timber areas. It was dramatically——

Senator McClure. Joni, I hate to interrupt, but your time has expired. Your entire statement will appear in the record in full.

Ms. Fields. All right, thank you, Senator McClure.

Senator McClure. Sure.

Ms. Fields. In closing, I would like to remind Senator McClure that our modern timber companies have modernized to the point of state of arts. We spent millions of dollars on these improvements as well as installing pollution controls that will meet Environmental Protection Agency [EPA] standards.

We urge an expeditious settlement on this forest management plan. There is no one more aware of protecting our environment than timber people, while still stressing the needs for wise and intelligent use of our resources.

As Gifford Pinchot, our first Forest Service supervisor, said, "Trees are just like a garden; to remain beautiful and fruitful, they must be nurtured and harvested in order to make room for nature's next crop." He was a wise man.

Thank you for the opportunity to speak.

Senator McClure. Thank you. Mr. Heinrich.

STATEMENT OF ADOLF HEINRICH

Mr. Heinrich. Mr. Chairman, Senator Symms, and Senator McClure and friends, I an Adolf Heinrich, quite a long-time resident of Valley County, commissioner for 8 years.

Valley County is the fifth largest by area in the State, and 98½ percent is publicly owned. The U.S. Forest Service is a large landholder. The Bureau of Reclamation, Bureau of Land Management, and State of Idaho are other public owners. No taxes are collected from these properties.

Public property, and the various activities thereon, attract many people: Miners, timber workers, tourists, sportsmen, and public agency employees are an example. These activities provide a far-reaching economic base in the county, but the presence of these people generates a demand upon services. Valley County is providing services to approximately 5,200 permanent residents. We're also providing property owners from outside the county—we're also serving property owners from outside the county. It has been estimated that the apparent population is between 15,000 and 20,000 to use. The use and the enjoyment of the public-owned property is one of the major attractions for our part-time residents and visitors. Management decisions on public land will, therefore, have significant and long-range effects on the lifestyle in Valley County.

The cost of providing public service has in the past been bolstered by revenues from timber sales from public lands. The demand for service is increasing along with the cost of providing these services but the revenues are decreasing. I didn't prepare statistics like Mr. Howard did, but about the same general trend would be true for Valley County. The county is, therefore, struggling to find ways to maintain reasonable service with dwindling resources.

The timber harvest specifically benefits our road department and schools. For now, we're able to operate our road department without a property tax. The revenue from timber harvest has declined to a point we are dealing with maintenance only. Capital improvement such as asphalt overlays are beyond our income. Continued decline in revenues from our timber harvest will result in the decline in the quality of our road system and in harsh alternatives that will further burden the taxpayer. The schools are experiencing similar funding problems. I understand one of our superintendents will, and he did, explain.

It is especially troublesome to deal with income from sources in which the county has little or no voice. We believe that the Forest

Service is sensitive to their impact on the local economy and that they have done a good job in managing the forest to our benefit. We note, however, that it's apparently very easy for certain groups to challenge and upset the forests management plan. These groups have little to risk as it costs practically nothing to call a halt to work that does have a large impact on the local economy.

We've had a valuable stand of native timber that could have been harvested with considerable benefit. It was located in an area environmentally—judged environmentally sensitive by some, so harvesting was delayed. It caught fire and later was harvested as a salvage sale. The value of the timber of such an economic benefit had been lost. In this particular case, the earlier decision to harvest was timely and was based on a valuable resource. The delay, imposed at no cost to the appellant, resulted in huge losses to us all.

It seems another high cost being imposed on our timber resources is the cost of studies. The management plan is costly but prudent. The cost of studies in response to appeals is what I'm referring to. The Forest Service is obligated to pay for those studies as well.

The cost of delays in harvest, the cost of additional studies, the cost of lost resources all erode the economic return from the forest to our county.

Valley County being so heavy impacted by publicly owned land is left with little property on which to collect revenue. We, therefore, must look to alternative sources. Our major resource is timber on public lands. We, therefore, encourage management decision and practices that will result in best economic returns for the resources.

Develop a management plan that will produce a balanced harvest from year to year.

Insulate the management plan from frivolous and unnecessary appeals and delays.

Place a reasonable penalty for appeals that are overruled or found to be with little or no merit. The fee might be equal to the lost value of the resource and the cost of the study.

Develop management practices that will increase productivity and economic turn from the timber, or develop an alternative way to support the local economy that is impacted by publicly owned lands.

I thank you.

PREPARED STATEMENTS

Senator McClure. Thank you very much. We will insert all the statements from the panel in the record at this point.

[The statements follow:]

Statement of William Conrad

I am Bill Conrad, Chairman of the Gem County Commission Board and Chairman of District Three Commissioners.

The proposed timber reduction would really hurt Idaho as a whole and the timber counties in particular. Even though Gem County does not have a large area of timber, the amount of funds we derive from timber is important to our economy.

The main industry in Gem County is the Boise Cascade plywood and processing plant, which is the largest plant in this area. With lumber coming from timber counties of Adams, Valley and Boise and being processed here, it gives us employment year round for about 250-300 people.

With a cutback in the timber harvested it would slow down the Emmett plant endangering the local economy. We must remember that this would lessen the income to the federal treasury also.

With the 1% initiative passed in Idaho and the threat of losing Revenue Sharing dollars every year or two, we cannot afford to lose the timber dollars too.

With Idaho being heavy in timber and the counties having depended upon the timber revenue for so long, it just isn't feasible to run the counties without these funds, unless other alternatives are found.

Statement of Adolf Heinrich

Valley County is the fifth largest by area in the State. Eighty-nine and one-half (89½%) percent is publicly owned. The U. S. Forest Service is the large landholder. The Bureau of Reclamation, Bureau of Land Management, and State of Idaho are the other public owners. No taxes are collected from that property.

Public property, and the various activities thereon, attracts many people. Miners, timber workers, tourists, sportsmen, and public agency employees are a few examples.

These activities provide a far reaching economic base in the County but the presence of people generates a demand for services. Valley County is providing services to approximately 5200 permanent residents. We are also serving property owners from outside the County. It has been estimated that the apparent population is between fifteen and twenty thousand. The use and enjoyment of the publicly owned property is one of the major attractions for our part-time residents and visitors. Management decisions on public lands will therefore have significant and long range effects on the lifestyle in Valley County.

The cost of providing public services has, in the past, been bolstered by revenues from timber sales from public lands. The demand for services is increasing along with the cost of providing those services but the revenues are decreasing. The County is therefore struggling to find ways to maintain reasonable service with dwindling resources. The timber harvest specifically benefits our Road Department and Schools. For now, we are able to operate our Road Department without a property tax. The revenue from timber harvest has declined to the point we are dealing with maintenance only. Capital improvements, such as asphalt overlays, are beyond our income. Continued decline in revenues from timber harvest will result in a decline in the quality of our road system and in harsh alternatives that will further burden the tax payer. The schools are experiencing similar funding problems. I understand one of our Superintendents will explain that situation.

It is especially troublesome to deal with income from sources in which the County has little or no voice. We believe the Forest Service is sensitive to their impact on the local economy and that they have done a good job in managing the forest to our benefit. We note, however, that it is apparently very easy for certain groups to challenge and upset the Forests' Management Plan. These groups have little to risk as it costs them nothing to call a halt to work that does have a large impact on the local economy.

We had a valuable stand of native timber that could have been harvested with considerable benefit. It was located in an area judged environmentally sensitive by some, so harvesting was delayed. It caught fire and later was harvested as a salvage sale. The value of the timber and much of the economic benefit had been lost. In this particular case, the earlier decision to harvest was timely and was based on a valuable resource. The delay, imposed at no cost to the appelant, resulted in huge losses to us all.

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Valley County, being so heavily impacted by publicly owned lands, is left with little property upon which to collect revenues. We therefore must look to alternative sources. Our major resource is the timber on public lands. We therefore encourage management decisions and practices that will result in best economic returns from that resource.

1. Develop a management plan that will produce a balanced harvest from year to year.

2. Insulate the management plan from frivolous and unnecessary appeals and delays.

3. Place a reasonable penalty for appeals that are overruled or found to be with little or no merit. The fee might be equal to the lost value in the resource and the cost of the study.

4. Develop management practices that will increase productivity and economic return from the timber.

or

5. Develop an alternate way to support the local economy as it is impacted by publicly owned lands.

Statement of Joni Fields

Mr. Chairman, members of the committee, I am Joni Fields, of Donnelly, Idaho, a member of Idaho Women In Timber, Payette River Chapter. We are an organization of women active both statewide and throughout the Northwest, who work for and support the concept of wise and productive use of our natural resources. We support multiple use of our national forest lands and have focused our efforts on educating the public in this regard.

Our aim since formation of Women In Timber in 1978, has been to be well informed on timber issues, keep abreast of current or pending legislation, (such as this hearing), and do our utmost to encourage the passage of that legislation; thus helping the timber industry, which in turn is very important to the entire economy of our state.

Inasmuch as 67% of Idaho forest land is federally owned, it is a wonder, under the present stringent laws and requirements imposed upon the timber industry, they have been able to survive. As you know, many of our campanies haven't.

The present goal of Women In timber is to encourage our Washington delegation to continue in their efforts to get a Forest Management Plan passed, as mandated by Deputy Forestry Director Peter Myer, that will demand the Forest Service make enough allowable timber available for harvest by the timber industry, to allow at least a 10 to 15 year concrete plan; one that cannot be appealed at every turn. (The 50 year plan should reflect this same context.) The phrase, "designated for further Wilderness study", has become an old worn out cliche; which in literal terms means, "locked up land". The time for endless studies is past, it is time for action.

At the time the River of No Return Wilderness was passed, we were assured by Senator Church that this would no doubt be the last large Wilderness area to be designated in the lower 48 states. We all know that Congress is being pushed for more all the time.

This year, the U.S. Forest Service Service will adopt long-range plans for management of the nations forests in all the Western states, including Idaho. These plans, which Senators McClure, Symms and the rest of Idahos delegation are diligently working on can be permanent guidelines for the economic stability of forest resource based communities, by maximizing management for our wood products, or if not implemented, can be the cause of declining employment, loss of taxes, (especially school revenues), more importantly, the actual livelihood for thousands of citizens in the entire Northwest.

In my county alone, Valley, we received $117,211 in 1984-85 school year, and $136,711 in 1985-86. Those figures were obtained from Supt. Gene Novotny, Cascade and County Superintendant Everett Howard, McCall School District. This compares to $500,000 from the timber industry revenues in the 1970's for McCall/Donnelly, and $150,000 in Cascade. School bond over-rides cannot compensate for the loss of timber revenue.

In developing these plans, the Forest Service is required to take into account the impacts of timber harvesting on the environment and wildlife. This is fine. However, Idaho Women In Timber and the Idaho wood products industry believe the forest plans do not adequately consider the wood products needs of the United States and the tens of thousands of citizens who rely on actual timber harvesting and production of lumber for jobs, as well as the thousands of jobs in production of products derived from wood, or related jobs. (One huge industry being the contracting and building of homes and businesses).

According to the American Forest Institute, the actual every day needs of people it takes one acre of productive trees per person per year, to supply the daily needs of every American; or approximately 236,000,000 acres of forestland available for sustained yield harvest of timber. Yes, we have that available, IF IT IS NOT LOCKED UP IN APPEALS AND WILDERNESS DESIGNATION.

Another figure which may be of interest to you, is that the forest industry and the Forest Service replant 1,990,000,000 seedlings annually, (that's 8 trees for every man and woman and child in our country). Now I ask you, are we doing our share in propagating and caring for trees for future generations?

I would like to speak a few words on utilizing burned timber areas. It was dramatically revealed two weeks ago in The Statesman, when it was announced by Payette National Forest Service officials of McCall, of the consequences of the Falls Creek Salvage Sale held this past early spring, as a result of a fire that had ravaged 14,500 acres in the French Creek Area. This sale was held after Stan Tixier, Regional Forestry Supervisor in Salt Lake, at the urging of the Forest Service Specialists and the timber industry forestry experts, overruled an Appeal by the Idaho Conservation League, and ordered the sale held. As a result, 27.5 mbf of timber was cut and readied for market, and the state received $358,000 in revenues. This is sensible management.

I am proud to say Women In Timber participated in that dispute; holding a TV news conference on the Statehouse steps to inform the public of the importance of allowing the sale to go ahead.

In closing, I should like to remind Sen. McClure and his Sub-Committee, that the modern timber companies are modernized to the point of state of the arts; not only in our logging operations, but in utilizing every piece of bark from a tree. We have spent millions of dollars on these improvements, as well as installing pollution controls in our mills.

We urge an expeditious settlement of a final Forest Management Plan, with a fair and equitable allotment from the Forest Service to maintain and keep our mills running. There is no one more aware of protecting our environment than timber people; after all, it is our livelihood. We try to create a greater appreciation and understanding of the entire forest industry, effects on our economy, while still stressing the need for wise and intelligent use of our resources.

As Gifford Pinchot, (our first Forest Service Supervisor), said, "Trees are just like a garden; to remain beautiful and fruitful, they must be nurtured and harvested in order to make room for nature's next crop." He was a wise man.

Thank you for the opportunity to speak to you on this subject dear to my heart.

[From the McCall Star News]

SUPPORT MULTIPLE-USE FOR WILDERNESS

(By Clifford Lee)

It is very disturbing to read the many letters and editorials in The Statesman condemning Senator Jim McClure's wilderness bill. I believe The Statesman can be more objective.

The environmental views being presented are misleading and, in some cases, entirely false. I support wilderness in reasonable amounts and in the appropriate places, but it is not the cure-all for our complex management needs. Some of the misleading ideas are as follows:

1. All roadless areas will be logged or mined and destroyed if they are not designated wilderness.

That statement simply isn't true. More than 60 percent of the roadless area lands never will be logged and the 40 percent that might be will be considered only after careful environmental analysis, which provides protection for all other resources, as required by the National Forest Management Act.

When lands are proposed for use, any project still can be appealed for justifiable reasons.

Recreation, wildlife, and water also are important resource considerations in multiple-use management and are considered and protected in every project proposal.

2. Most Idaho people want more wilderness.

That statement is not true. Of the 14,000 questionnaires returned to Senator McClure, 53 percent of those responding want no more wilderness.

The facts are that few Idaho hunters or recreationists use the wilderness areas because of the difficulty and expense of getting in or getting game out.

3. Wilderness is the best land-management alternative for wildlife (big game).

That statement is not true. Careful studies conducted by game biologists have concluded that for optimum big-game habitat, there must be a balance between food supply and cover. Those conditions can come about only by vegetative manipulation, which is prohibited in wilderness. For most of Idaho, the desired forage cover ratio is 50-50.

A large part of the roadless areas are not good big-game habitat now because there are too many trees and not enough brush and grass. In fact, winter food supply is the major herd size-controlling factor and most of the current Forest Service roadless areas do not contain winter habitat. In the few that do, that habitat is considered critical and will be protected by the management alternative established in the environmental analysis and incorporated in the project plans.

4. Recreation use can be protected only by designating the areas as wilderness.

Recreation is a very diverse resource use and includes driving for pleasure, motorcycling, collecting firewood, and many other uses prohibited in wilderness areas.

Wilderness areas are not for all people as the environmentalists would have you believe. They are for the hardy and the rich, and many Idahoans are neither. In fact, most Idahoans spend their outdoor time in multiple-use areas where there are campgrounds and they can drive the family car to relax with their families.

Before Idahoans support more wilderness, they should ask themselves how many days have they spent in wilderness areas compared with their days in multiple-use areas. They should ask how locking up the economic commodities in roadless areas will affect their job opportunities and quality of life.

One last thought to ponder is if the extreme environmentalist groups of today had been active and successful in the late 1800's and early 1900's, most of us would never have seen Yellowstone or Glacier National Parks and other such places, because they would be locked up. To me, that would be tragic.

There still are many more unique and beautiful places on public lands to enjoy if you could get to them. These places can be used for economic value and recreation at the same time under multiple-use management.

Fortunately, we have an intelligent and understanding senator who is willing to fight this battle, even in an election year. Let's support him with letters and votes.

Senator McCLURE. Senator Symms.

Senator SYMMS. I just want to thank all three of you for excellent statements. Mr. Chairman, I think they're an excellent addition to our record. I think I find myself in general agreement with the three witnesses, and I'll forgo any questions for now.

Senator McCLURE. All right. Congressman Craig.

Mr. CRAIG. Thank you very much, Mr. Chairman. Let me thank all three of you for your testimony.

I think, Adolf, you make an excellent observation that a lot of people tend to overlook. With 89 percent of its land being owned by the Federal Government, Valley County has very few economic alternatives. Many counties throughout central and north Idaho are similar to Valley County in this respect. If you can't have a balanced approach toward the management and use of our public lands, then the anticipated growth of the new economic base is very limited. I think you've made that point very clearly.

Joni, I also appreciate your comments. It's not my role to defend the forest products industry, but it is my responsibility to ensure that we attempt to maintain an economic balance in our State. Unfortunately, I think there are some who look at the forest products industry with 1950 and 1940 eyes. They don't recognize the changes it's gone through: The modernization, sensitivity toward the environment, and the environmentally sound logging practices that don't damage the landscape, and that minimize siltation. It is in the best interests of everyone that we work to maintain our watersheds and that land base that will produce a future crop while at the same time providing other types of activities: Hunting, recreation, and wildlife habitat to name a few.

It is interesting to note that those counties that provide a resource base for the forest products industry, are the same counties that have high levels of tourism today because they are substantially accessible to people who wish to come see and visit them, recreate in them, fish in them, backpack in them, and camp in them. That accessibility is a result of roads that have been built for the purpose of logging.

If we never had logging in Valley County, then we would have nowhere near the tourist base and the recreational activity today that we see in that county, because the roads that allow access to the timberlands, to the U.S. Forest Service lands are in large part a product of past logging activity. Those roads were financed by logging activity. They are in part maintained by logging activity. And if they are old logging roads, they are now new recreation roads.

We do have a variety of uses for our public land that includes absolute protection in designated wilderness areas and that's clearly acceptable. But we also recognize the multiple-use base that you advocate so well. The largest part of the recreational activity of our State goes on in that multiple-use land base today. This largely occurs because of the access provided by roads that were financed by the activities of the forest products industry in concert with the Forest Service and effectively demonstrate the multiple-use base approach.

Bill, there is no question that 350 to 500 jobs in Gem County are critical. And I think that if there was any less logging going on in counties adjacent to Gem County you simply wouldn't see the level of employment or activity that you see here in Gem County. I also appreciate your efforts over the years to diversify Gem County.

And I certainly thank all three of you for your testimony and the points you have brought out today.

Senator McClure. I, too, want to express my thanks. I couldn't possibly allow this opportunity to go by without making a special comment about women in timber. I have said it publicly before, but when you have women fighting to protect their families and their communities, you've got a formidable force.

Ms. Fields. Thank you, Senator McClure.

Senator McClure. And the several trips that you have made at your own expense to Washington, DC, to talk to people back there is truly grassroots lobbying at its best, and I would add also, at its most effective.

I thank you all very much for your testimony, and I would share with my colleagues at this table that I find much in your statements with which I agree. Thank you very much, very much.

Mr. Conrad. Thank you.

Ms. Fields. Thank you, Senator.

STATEMENTS OF:

JOHN BENDER, SOUTHERN IDAHO REGIONAL MANAGER, BOISE CASCADE CORP.

ROBERT HITCHCOCK, PRESIDENT, EVERGREEN FOREST PRODUCTS, INC.

JOSEPH M. HINSON, INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

JAMES S. RILEY, EXECUTIVE VICE PRESIDENT, INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

Senator McClure. Our next panel: Jim Riley, John Bender, Bob Hitchcock, and Joe Hinson.

My understanding is that you not only want to change the order of your appearance, but you also want to divide up the time a little differently. That's satisfactory. There are four witnesses; that's 20 minutes total. Divide up the time as you wish.

Mr. Bender is going first?

STATEMENT OF JOHN BENDER

Mr. Bender. Yes; Senator McClure, Senator Symms, Congressman Craig, I'm John Bender, regional manager of Boise Cascade.

Senator McClure. Can you pull the mike a little closer?

Mr. Bender. I'm John Bender, regional manager of Boise Cascade Corp. for the southern Idaho region.

In total, the Boise Cascade southern Idaho region directly employs 800 people with an annual payroll of $24 million. We also spend approximately $35 million for logging and related timber management services each year. Additional expenditures of approximately $6 million each year are made in the local communities where we have facilities to purchase the various goods and services necessary to support our operations. State, local, and county taxes for our Idaho operations approximated $2 million in 1985.

Our southwestern Idaho operations have total timber processing requirements of 190 million board feet per year at targeted production levels. I might add that I'm only highlighting the written testimony. The maximum capacity is 210 million board feet per year. For the last 5 years, we've only processed 165 million board feet annually, 13 percent below our targeted capacity and 21 percent below our installed capacity. The curtailed production of our facilities during this period was directly the result of weak end-product markets, primarily during the recession period of the early 1980's. However, throughout this period we have invested significant capital in our facilities so as to enhance our ability to operate efficiently and consistently on the types of timber growing in Idaho. In the past 3 years, we've invested $20 million in capital improvements. Due to production efficiency improvements during this period, we were able to operate at target production levels in 1985 and our forecasts for 1986 are equally promising.

During the past 5 years, we obtained approximately 53 percent of our timber resource from the Forest Service, 37 percent from our company timberlands, and 10 percent from other private and public sources. As will be detailed later, future operations at current levels will necessitate increase in the Forest Service share from 53 percent to 70 percent.

Our company has been activity involved in the Forest Service planning process for nearly 9 years. At this point, we're deeply concerned with the impacts the proposed plans will have on our ability to continue obtaining the timber supplies necessary to sustain our operations, and in turn, the consequent impact on our employees and the communities where our facilities are located.

The draft plan for the Payette National Forest was published last fall. The draft Boise plan is yet to be published, but Supervisor Lavin has met with us to describe proposed timber sale programs. The draft Payette plan proposes an annual cut of 74 million feet per year, while the Boise plan proposes 78 million feet per year, both of which are well below the harvest potentials of the respective forests.

From our discussions with Forest Service officials combined with our review of the available planning documents, it's evident that the agency simply has not correctly evaluated the supply-and-demand relationships for timber resources in southwestern Idaho, and subsequently does not understand the true impact reductions of this magnitude will have on our operations. As a result, the agency has also not responsibly informed the public of the serious ramifications that will result if these reductions are implemented.

Until just recently, each forest supervisor has evaluated timber demand and associated employment impacts for a narrowly defined zone of influence around that particular forest. As I have explained, our operations in southwestern Idaho are dependent on timber from both the Boise and the Payette Forests in total, as well as timber from our company lands and from other sources in the market area.

Recently, Assistant Secretary of Agriculture Peter Myers has directed the Forest Service to complete an integrated market analysis which includes consideration of all sources of supply and demand. We're confident that this analysis, if correctly conducted, will fully reveal the true impact of the proposed plans.

I would also like to briefly address the supply situation on private timberlands. During the past 5 years, there has been a significant increase in the harvest of private timber in southern Idaho. During the period of 1980 through 1984, the total harvest from private lands was nearly 16 percent higher than the average private harvest for the previous 5 years. During the same time period, harvest on Forest Service timber was 28 percent lower than the previous 5 years. This major shift from the harvest of Forest Service timber to private timber in the market area was precipitated by the lumber market recession of the early 1980's. As markets fell, companies were forced to seek lower cost timber to sustain their operations. Our company, for example, increased the harvest on our company timberland by nearly 90 percent between 1978 and 1983. I might add that's a year-over-year comparison, and not 5-year averages versus 5-year averages. This level of harvest was considerably in excess of sawtimber growth rates, however, it was necessary to sustain the operations of our mills.

In 1984, we completed an inventory and harvest program analysis of our company timberlands which indicated that in order to meet our long-term forest management objectives, we must reduce harvest levels back to mid-1970 levels. This reduction was necessary partially to compensate for the increases of the previous 5 years and also to correct for an earlier, less detailed inventory and harvest program analysis. When this analysis was complete, I personally met with the supervisor of the Boise and Payette Forests to explain the results and discuss the potential ramifications with them. Thus, I was concerned when combined timber harvest from the draft Payette plan and the preliminary planning documents available from the Boise Forest resulted in significant program reductions without making any reference to serious timber supply shortages in southwestern Idaho.

Our estimates are that the total timber supply in southwest Idaho under the current Boise and Payette National Forests proposals will fall short of currently operating capacity by some 30-plus million board feet per year.

In conclusion, I have absolutely no doubt that if the proposed forest plans for the Boise and Payette National Forests are implemented without modifications, they will force the closure of at least one, if not more, sawmills in the southwestern Idaho market area. Also, I believe, without question, that both forests can provide the timber program levels necessary to avoid this, without compromising or violating any reasonable multiple-use objectives. I find the agency's reluctance to evaluate the true impact of the proposed timber programs and to disclose this information to people affected irresponsible. I urge this subcommittee take whatever actions are available to remedy this situation and avoid impending economic and social distress that would fall on affected Idaho citizens.

I appreciate this opportunity to testify today.

Senator McClure. Mr. Hitchcock.

STATEMENT OF ROBERT HITCHCOCK

Mr. Hitchcock. Mr. Chairman, Senator Symms, Congressman Craig, I'm Robert Hitchcock, president and owner of Evergreen Forest Products in Tamarack, ID. My sawmill processes approximately 36 million saw logs annually, and has a targeted operating capacity of 45 million feet. Currently Evergreen Forest Products directly employs 79 people in our operations. Additionally, we spend approximately $7½ million annually for contract logging, payroll, and other local-purchase-related goods and services necessary to support our system. Our Tamarack operation is almost entirely dependent on the purchase of timber from the Nez Perce and the Payette National Forests.

To put my comments in perspective, I have included in my written statement a review of the recent business history of Evergreen Forest Products. This summarizes a sawmill modernization program which we initated in 1981 to improve the operating efficiency of our facility. This program is a result of an extensive long-term planning analysis which we conducted in 1979. Our conclusion at that time, which has since proven to be correct, was that Evergreen Forest Products had to undertake a modernization program in order to remain competitive. Our only other choice would have been to abandon the sawmill business entirely.

Many of my colleagues and competitors in the industry have questioned the wisdom of this decision, particularly since our mill was predominantly dependent on the benevolence of the Forest Service to provide the timber necessary to sustain its operations. I must tell you, I have also questioned the wisdom of this situation on numerous occasions during the past few years. However, I am convinced that I would not be here before you, given the competition our industry faces from the Canadian Government, if I had not made the decision I did in 1979.

The result of our improvement program is that our targeted processing requirements have increased from 16 million a year in 1979 to 45 million a year. Total manufacturing employment has also increased from 55 jobs in 1979 to 79 jobs currently.

Although the proposed Payette plan identifies establishing timber-harvest levels which will maintain traditional lifestyles and provide for community stability as a primary objective of the preferred alternative, I am here today to tell you that the proposed Payette plan, if implemented in its current form, will most certainly not meet this objective. My statement provides several reasons to support this conclusion.

I would also like to explain for the record that Evergreen Forest Products participated in meetings with Payette Forest officials prior to publication of the draft plan, when timber supply needs of the local industry were dicussed in detail. Yet the draft plan does not acknowledge or discuss the disruption the proposed timber program reduction will cause to our industry and to our employees. The plan simply ignores the pervasive evidence that one or more mills will be forced to close by the proposed plan due to lack of timber. And, as a result, many jobs will be lost in the local economy.

Forest Service management proposals for the south fork of the Salmon River will be a key factor in determining the impact of the Payette plan on our industry. This area represents nearly 30 percent of the timber production potential from the Payette Forest outside the 770,000 acres of established wilderness. It also contains some of the most productive timberland on the forest.

We also recognize that the South Fork drainage has the potential to support an important fish resource. Thus, for the past 7 years we have focused our attention on proactively developing and implementing timber harvest and management techniques that would be compatible with fish habitat and management objectives. For example, in 1981 and 1982 Evergreen Forest Products consulted with the Forest Service on the design of the Secesh timber sale in the South Fork drainage. We purchased this sale and harvested the timber in 1983 through 1985 to demonstrate that timber and fish management were not mutually exclusive.

Subsequent to completing the sale, we have supported and participated in numerous postsale reviews with State and local agencies, and other interested individuals, to assess the impacts on fish habitat and identify any opportunities for additional improvement in timber harvest techniques. It has been generally agreed by all players that the Secesh sale had little, if any, adverse impacts on the fish.

Our industry also hired a hydrologist to assess with our review of fish management and timber harvest relationships, and to advise us on more compatible practices. With our hydrologist's help, we have sponsored and conducted several meetings with the Forest Service and Idaho Department of Fish and Game to explore various recommendations for coordinating timber and wildlife management practices in the context of the Payette Forest plan.

In spite of our extensive efforts in this regard, the Forest Service, shortly after publication of the draft Payette plan, convened an elite group of individuals to determine the final management proposal for the South Fork drainage. We were neither invited nor allowed to participate in this effort. This group included representatives of the following organizations: Payette National Forest; the National Marine Fisheries Service; the U.S. Fish and Wildlife Service; the Environmental Protection Agency; the Idaho Department of Fish and Game; the Columbia River Intertribal Fish Commission; and the Nez Perce Indian Tribe.

Incredibly, no individuals or organizations representing the interests of the industries, their employees, or the local communities which are dependent on the timber harvest from the forest, were invited to participate in this effort.

As a result, the final recommendations of this group, which were released last month, completely dismiss options for coordinated timber and fish management, and blatantly ignore the impacts of this proposal on local dependent industries and communities. The group's report starts by identifying best future and worst future scenarios for the South Fork drainage. The best is described, and I quote, as "an absolute prohibition of land disturbing actions." "Land disturbing actions," by the way, is the latest Forest Service jargon for timber harvest and related activities. The worst future scenario is described as, and I quote again, "additional sources of land disturbances are authorized and promoted."

It is not surprising, therefore, that the group recommended what they call a minimum management requirement for the South Fork drainage which states that, "no land disturbing actions will be authorized until the habitat has been restored." Simply, this means that timber harvest will not be permitted in the South Fork drainage, even where it has been demonstrated that proper harvest practices are entirely compatible with fish management objectives, like the Secesh timber sale.

The Forest Service has informed us that they have adopted this recommendation and that the final plan for the Payette Forest will be consistent with the minimum management requirement as defined by this elite group. This action will almost certainly reduce timber sale programs from the forest even further, and accentuate the impact of timber shortages for our history.

When essential decisions in Forest Service plans are made by limited interest organizations, it should not be surprising that the general interests of local industries and dependent communities are ignored and heavily compromised. We submit that such actions are blatantly contrary to the objectives of the agency and the National Forest Management Act, and are a clear example of how the agency has ignored community impacts in their decision process. Thank you.

Senator McClure. Thank you. Joe Hinson.

STATEMENT OF JOE HINSON

Mr. Hinson. Mr. Chairman, I'm Joe Hinson, Intermountain Forest Industry Association. Our association represents timber growers and wood product manufacturers throughout the northern Rockies. I'll generally follow my written statement. We do have some charts we'd like to work through. They're reproduced at the back of my statement.

We have three sources of timber in this State, the national forests, private lands, and other public ownerships including the school endowment lands. Historically, public lands, the other public lands have provided about 10 percent, the national forest about 50 percent, and private lands about 40 percent of total timber supply.

However, over the next—over the past decade, as this chart shows, we've cut increasing amounts of timber from private lands. In 1980–84, about one-half the timber supply was coming from private lands, and about 40 percent from the national forest. We can't do this forever. There are only 3 million acres of private forest lands in the State, and they cannot sustain current harvest levels. In 1984, we harvested about 860 million board feet, while growth on this ownership was only about 580 million board feet.

I would emphasize that harvest in excess of growth is not bad, per se. Landowners, for a variety of silvicultural and financial reasons, simply found it to be in their best interest to cut timber on their own lands during this period. On industrial lands, much of the timber was mature or overmature and it ceased to grow, and the logical financial and silvicultural alternative was to harvest those stands and replace them with new fast-growing stands.

I'd like to just summarize that for the southwest Idaho area, the area that we're in right now. It roughly corresponds to this map. In this area we have a sawmill capacity somewhere of around 400 million feet. It supports 4,500 timber industry employees. We grow about 80 million feet of sawtimber on private land. We've harvested about 117 million feet, 146 percent of growth. By contrast, the Forest Service from the Boise and the Payette speak in terms of a maximum timber alternative of 315 million feet, but they plan to harvest only 152 million feet, 48 percent of growth.

If the timber industry is to survive at its current level, the national forest must begin to meet their share of the State's timber supply needs. If you take a look at the drafts of the Panhandle, Clearwater, Nez Perce, Payette, and Boise, we see an allowable sale quantity of 679 million feet that we feel must be increased to 900 million feet if, in fact, we are to survive and meet our current capacity.

Over the past 10 years, the Forest Service has offered 711 million feet out of a sustained yield—pardon me, out of a potential yield on these five national forests of slightly over 1 billion. They now plan to offer as a maximum 679 million feet. We say we need 900 million feet. The Forest Service's commodity alternative, which meets all the statutory and self-imposed restrictions, is slightly over 1 billion feet, and their approximate growth is 1.45 billion feet a year.

If we fail to raise the sale quantities from 679 to 900 million feet a year, we project that we'll lose 2,000 timber industry jobs over the planning period. I'll summarize the impacts of that. What 2,000 timber industry jobs means is $40 million in annual timber industry payrolls; $2 million in State tax revenues to the State of Idaho; and $2.5 million per year funds forgone to the counties for schools and roads.

We believe the choice is clear for Idaho, and we urge the committee to consider—give serious consideration to discussing with the Forest Service a reconsideration of these inadequate allowable sale quantities. Thank you.

STATEMENT OF JIM RILEY

Senator McClure. Thank you.

Mr. Riley. Mr. Chairman, we're at the end of our time. I will just submit my statement for the record and leave it stand at this time.

Senator McClure. All right. You have 1 minute.

Mr. Riley. In my 1 minute I'll just briefly summarize that my statement does identify what we feel to be the three primary reasons of the Forest Service in their planning process both procedurally and substantively and the results that they have arrived at, which has been described by the other members of this panel and Mr. Hinson in his graphs. And just having said that, I will just let that statement stand for the record, Mr. Chairman.

PREPARED STATEMENTS

Senator McClure. The complete statements of all the witnesses will be included in the record in full.

[The statements follow:]

STATEMENT OF JOHN BENDER

I am John Bender, Regional Manager of Boise Cascade Corporation for the Southern Idaho Region. I am responsible for four Boise Cascade sawmills located at Horseshoe Bend, Cascade, and Council, Idaho; a planer mill, plywood plant, and 15 megawatt cogeneration facility located at Emmett, Idaho; and for the management of 200,000 acres of Boise Cascade timberland located in southwestern Idaho. In total, the Boise Cascade Southern Idaho Region directly employs 800 people with an annual payroll of $24 million. We also spend approximately $35 million for logging and related timber management services each year. Additional expenditures of approximately $6 million each year are made in the local communities where we have facilities to purchase the various goods and services necessary to support our operations. State, local, and county taxes for our Idaho operations approximated $2 million in 1985.

The facilities managed by Boise Cascade's Southern Idaho Region are designed as an integrated operation. Even though the mills are geographically dispersed throughout southwestern Idaho, they are each dependent on the coordinated operation of the other facilities in the Division. For example, each of the sawmills is designed to efficiently process logs of specific sizes and individual species. The mill in Cascade is equipped with the state of the art technology for processing both small and large diameter logs, while the Council facility is equipped to handle primarily large diameter logs. A key element of our operation is the transfer of logs between facilities, to ensure that each log is processed at the facility which can manufacture the material most efficiently, and to ensure that no single mill is burdened with processing logs which it is not designed to accomodate. Furthermore, all of our lumber is transferred to Emmett for finishing in a single, highly efficient planer mill. Also our Emmett cogeneration plant is fueled by the wood residue generated from each of our sawmills.

Our operations are also integrated with regards to timber supply. The company timberlands are managed to complement the type and quality of timber available from other sources in the market area. We regulate our private timber to ensure that the total complex of logs processed through the system is sufficient to provide for the efficient operation of each of our facilities, while continuing to meet long term forestry objectives for our timberland inventory.

Our southwestern Idaho operations have total timber processing requirements of 190 MMBF per year at targeted production levels. The maximum capacity is 210 MMBF per year. For the last five years we have only processed 165 MMBF annually, 13% below our targeted production level and 21% below our installed capacity.

The curtailed production of our facilities during this period was directly the result of weak end-product markets, primarily during the recession period of the early 1980's, and shortages of economically viable timber available for processing. Throughout this period we have invested significant capital in our facilities so as to enhance our ability to operate efficiently and consistently on the types of timber growing in Idaho. In the past three years we have invested $20 million in capital improvements. Due to production efficiency improvements during this period, we were able to operate at targeted production levels during 1985 and our forecasts for 1986 are equally promising.

The timber necessary to support our southwestern Idaho operations comes from three sources:

1. Forest Service timber sales on the Boise and Payette National Forests.
2. Timber harvested from our company owned timberland
3. Timber purchased from private nonindustrial land owners, the State of Idaho, and the Bureau of Land Management

During the past five years, we obtained approximately 53% of our timber resource from the Forest Service, 37% from our company timberland, and 10% from other private and public sources. As will be detailed later, future operations at current levels will necessitate increasing the Forest Service share from 53% to 70%.

Understanding the integrated nature of our operations, is essential to fully assessing the disruption that will be caused by the reductions in timber availability proposed by the Forest Service plans. Because of the interdependence of each of our processing facilities, raw material shortages at any single location immediately and adversely effects the performance of all other facilities.

Our company has been actively involved in the Forest Service planning process for nearly nine years. At this point we are deeply concerned with the impacts the proposed plans will have on our ability to continue obtaining the timber supplies necessary to sustain our operations, and in turn, the consequent impact on our employees in the communities where our facilities are located.

The Draft Plan for the Payette National Forest was published last fall. The draft Boise Plan has yet to be published, but Supervisor Lavin has met with us to describe proposed timber sale programs. The draft Payette Plan proposes an annual cut of 74 MMBF/year, while the Boise Plan proposes 78 MMBF/year, both of which are well below the harvest potentials of the respective forests.

From our discussions with Forest Service officials, combined with our review of the available planning documents, it is evident that the Agency simply has not correctly evaluated the supply and demand relationships for timber resources in southwestern Idaho, and subsequently does not understand the true impact reductions of this magnitude will have on our operations. As a result the Agency has also not responsibly informed the public of the serious ramifications which will result if these reductions are implemented.

Evaluating timber supply and demand interactions, and the subsequent impacts on local employment, is not an overly complex problem. It does, however, require the examination of logical timber market areas, rather than administrative or political areas. The fundamental problem has been that, until just recently, each Forest Supervisor has evaluated timber demand, and associated employment impacts, for a narrowly defined zone of influence around each individual Forest. The relevant definitions of market areas has been completely ignored. As I have explained, our operations in southwestern Idaho are dependent on timber from both the Boise and Payette Forests, as well as timber from our company lands and from other sources in the market area. Yet, nowhere in the development of the plans for these Forests was the total timber supply picture analyzed. Each Forest limited its attention solely to the historical consumption of timber from that individual Forest. They did not evaluate how the combined influence of the reductions from the Boise and Payette Forests would influence total supply in the market area, nor do the Forest plans examine changes in supplies from other sources. Recently, Assistant Secretary of Agriculture, Peter Myers, has directed the Forest Service to complete an integrated market analysis, which includes consideration of all sources of supply and demand. We are confident that this analysis, if correctly conducted, will fully reveal the true impact of the proposed plans.

I would also like to briefly address the supply situation on private timberlands. During the past five years there has been a significant increase in the harvest of private timber in southern Idaho. During the period of 1980 thru 1984, the total harvest from private lands was nearly 16% higher than the average private harvest for the previous five years. During the same time period, harvest of Forest Service timber was 28% lower than the previous five years. This major shift from the harvest of Forest Service timber, to private timber, in the market area was precipitated by the lumber market recession of the early 1980's. As markets fell, companies were forced to seek lower cost timber to sustain their operations. The Forest Service did not respond to the rapid market change and continued to offer extremely costly timber sales which were simply not economical in the lower markets. Subsequently, numerous Forest Service timber sales went unsold between 1980 and 1984. This put extreme pressure on private timber sources to make up the shortages caused by the unmarketable Forest Service sales. Our company, for example, increased the harvest on our company timberland by nearly 90% between 1978 and 1983. This level of harvest was considerably in excess of sawtimber growth rates, however, it was necessary to sustain the operation of our mills.

In 1984, we completed an inventory and harvest program analysis of our company timberland which indicated that, in order to meet our long term forest management objectives, we must reduce harvest levels back to mid-70's levels. This reduction was necessary partially to compensate for the increases of the previous five years and also to correct for an earlier, less detailed inventory and harvest program analysis. When this analysis was complete, I personally met with the Supervisors of the Boise and Payette Forests to explain the results, and discuss the potential ramifications with them. Thus, I was concerned when combined timber harvests from the draft Payette plan and the preliminary planning documents available from the Boise Forest, resulted in significant program reductions without making any reference to serious timber supply shortages in Southwestern Idaho.

In conclusion, it is apparent that the Forest Service has made two completely erroneous assumptions in the development of plans for the Payette and Boise Forests. First, they have assumed that numerous unsold Forest Service timber sales during the past five years indicates that there is no demand for the quantity of timber they can provide, thus there will be no impact on mills in the market area if supplies are reduced. Such an assumption is entirely incorrect. Unsold timber sales are a function of the economic characteristics, not an indicator of quantity demanded. I hope this reality is becoming evident to the Agency, because, to their credit, they have recently acted to improve the economic viability of their timber sale offerings, and are at the point now where we expect 100% of the FY 1986 timber sale programs on the Boise Forest will be purchased.

Secondly, the Agency has made the erroneous assumption that harvest levels from other supply sources in the market area can and will be maintained over the next fifteen years. Even though their own data provides considerable evidence to the contrary, the individual officials responsible for the Plans have yet to accept the reality that the recent levels of private harvest cannot be sustained. Our estimates are that total timber supply in Southwest Idaho (under current

Boise and Payette Nation Forest proposals) will fall short of currently operating capacity by 30+ MMBF per year.

In conclusion, I have absolutely no doubt that if the proposed Forest Plans for the Boise and Payette National Forests are implemented without modification, they will force the closure of at least one, if not more sawmills in the southwestern Idaho market area. It may not happen immediately, but it most certainly will occur within the early years of the plan. Also, I believe without question, that both Forests can provide the timber program levels necessary to avoid this result, without compromising or violating any reasonable multiple use objectives. I find the Agency's reluctance to evaluate the true impacts of their proposed timber programs, and to disclose this information to people affected, irresponsible. I urge the Subcommittee to take whatever actions are available to remedy this situation and avoid the pending economic and social dislocations that would fall on the effected Idaho citizens.

I appreciate this opportunity to testify today, and will be happy to answer any questions you may have.

STATEMENT OF ROBERT HITCHCOCK

I am Robert Hitchcock, president and owner of Evergreen Forest Products, Inc., in Tamarack, Idaho. My sawmill processes approximately 36 MMBF of sawlogs annually and has a targeted operating capacity of 45 MMBF/year. Currently Evergreen Forest Products directly employs 79 people in our operations. Additionally, we spend approximately $7,500,000 annually for contract logging, payroll, and the local purchase of related goods and services necessary to support our business. Our Tamarack operation is almost entirely dependent on the purchase of timber from the Boise and Payette National Forests.

To put my comments in perspective, let me briefly review the recent business history of Evergreen Forest Products. In early 1981, we began a sawmill modernization program to improve the operating efficiency of our facility. Our modernization program was the result of an extensive long-term planning analysis which we conducted in 1979. Our conclusion at that time, which has since proven to be correct, was that Evergreen Forest Products had to undertake a modernization program in order to remain competitive. Our only other choice would be to abandon the sawmill business entirely. Many of my colleagues and competitors in the industry have questioned the wisdom of this decision, particularly since our mill is predominately dependent on the benevolence of the Forest Service to provide the timber necessary to sustain its operation. I must tell you, I have also questioned the wisdom of this decision on numerous occasions during the past few years. However, I am convinced that I would not be here before you today, given the competition our industry faces from the Canadian government, if I had not made the decision I did in 1979.

The core of our improvement program was the construction of a state-of-the-art computer assisted sawmill. In the first phase of construction, we built a facility to process small diameter logs, targeting for maximum utilization and recovery. The new "small log" mill was completed in late 1982 and became fully operational in February, 1983.

Concurrent with this investment, we also began construction of an electrical power cogeneration facility. This power plant is designed to efficiently utilize wood residues from the lumber manufacturing process, which previously had just posed an expensive waste disposal problem. Construction of the power plant was completed in 1983 and is fully operational at this time.

In early 1984, we initiated the second phase of our modernization program. Additional equipment was installed in the new sawmill to accommodate the processing of larger diameter logs and to take full advantage of the advanced computerized resaw and lumber sorting facilities of the new mill. At this time, we also dismantled the old facility which was on the site at the time.

The third and final phase of our modernization program was initially scheduled to begin in 1985, but has temporarily been delayed due to the uncertainty of future timber supplies and an unfavorable capital investment climate. The third phase will consist of the installation of a new planer mill and additional kiln capacity.

The result of these actions is that our targeted processing requirements have increased from 16 MMBF/year in 1979 to 40 MMBF/year once phase three is completed. Total manufacturing employment also has increased from 55 jobs in 1979 to 79 jobs currently.

Although the proposed Payette Plan identifies establishing timber harvest levels which "will maintain traditional life styles and provide for community stability" as a primary objective of the preferred alternative, I am here today to tell you that the proposed Payette plan, if implemented in its current form, will most certainly not meet this objective.

I make this statement for three reasons. First, the draft Payette Plan proposes a timber sale program based on the convoluted logic that a planned harvest level equivalent to the level of harvest from the Forest in 1983 is all that will be necessary to support the existing sawmills for the next ten to fifteen years. Yet, as I previously stated, Evergreen Forest Products was in the middle of our capital improvement program during 1983, and was not processing the quantity of timber necessary to sustain our operations in the long term. Also, the Payette Forest is fully aware that we had acquired a substantial volume of timber on the Nez Perce National Forest, as the result of a third-party agreement with Salmon River Lumber Company, which we logged in 1983 to supply our sawmill. Thus, our harvest from the Payette Forest was diminished while we satisfied contractual obligations on the Nez Perce.

Second, the planning analysis did not assess the changes in timber supplies which were available in 1983 from sources other than the Payette Forest. The Nez Perce Forest again serves as a good example. Since 1982, we have only been able to purchase a total of 6 MMBF from the Nez Perce Forest. Our review of the draft Nez Perce plan indicates a serious shortage of timber in the

Grangeville market area as well as Southwestern Idaho, which makes the chances for subsequent purchase of Nez Perce timber for the Tamarack mill extremely remote. Additionally, the Payette Plan does not take into consideration the reduction in timber programs from the Boise National Forest, which has historically provided a substantial share of the timber harvested in our market area.

Third, the selection of timber program levels was stated, in the Payette Plan as the minimum necessary that, and I quote, "would support the present mills at a moderate level of efficiency." The absurdity of such a statement provides clear evidence that the planners on the Payette Forest have little, if any, understanding of the forest products industry, or the appropriate role of the Agency in discharging its management responsibility. Beyond the fact that the proposed timber program in the Payette Plan will not provide sufficient timber for the mills in the southwestern Idaho market area to continue operating at all, it is simply ludicrous to propose that all mills operate at "moderate" efficiency levels. Simply put, a sawmill cannot exist in this competitive industry without operating at near optimum levels of production. Furthermore, one must seriously question the motives of a federal land management agency, when they intentionally attempt to regulate private industry operations by land use policy actions.

I would also like to explain for the record that Evergreen Forest Products participated in numerous meetings with Payette Forest officials prior to publication of the draft plan, when timber supply needs of the local industry were discussed in detail. Yet, the draft plan does not acknowledge or discuss the disruption the proposed timber program reductions will cause to our industry and our employees. The plan simply ignores the pervasive evidence that one or more mills will be forced to close by the proposed plan, due to the lack of timber. And, as a result, several jobs would be lost in the local economy.

Forest Service management proposals for the South Fork of the Salmon River will be a key factor in determining the impact of the Payette Plan on our industry. This area represents nearly 30% of the timber production potential from the Payette Forest outside the 770,000 acres of established wilderness. It also contains some of the most productive timberland on the forest,

We also recognize that the South Fork drainage has the potential to support an important and valuable anadromous fish resource. Thus, for the past seven years we have focused our attention on proactively developing and implementing timber harvest and management techniques which would be compatible with fish habitat management objectives. For example, in 1981 and 1982 Evergreen Forest Products consulted with the Forest Service on the design of the Secesh Timber Sale in the South Fork drainage. We purchased this sale and harvested the timber in 1983 through 1985 to demonstrate that timber and fish management were not mutually exclusive. Subsequent to completing the sale, we have supported and participated in numerous post sale reviews with state and local agencies, and other interested individuals, to assess the impacts on fish habitat and identify any opportunities for additional improvement in timber harvest techniques. It has been generally agreed by all parties that the Secesh Sale had little, if any, adverse impacts on fish.

Our industry also hired a hydrologist to assist with our review of fish management and timber harvest relationships, and to advise us on more compatible practices. With our hydrologist's help, we have sponsored and conducted several meetings with the Forest Service and the Idaho Department of Fish and Game to explore various recommendations for coordinating timber and wildlife management practices in the context of the Payette Forest Plan. Additionally, we have participated in several consensus actions with representatives of preservationist organizations to seek mutually agreeable management proposals for the South Fork drainage.

In spite of our extensive efforts in this regard, the Forest Service, shortly after publication of the draft Payette Plan, convened an elite group of individuals to determine the final management proposal for the South Fork drainage. We were neither invited nor allowed to participate in this effort. This group included representatives of the following organizations:

1) The Payette National Forest
2) The National Marine Fisheries Service
3) The U.S. Fish and Wildlife Service
4) The Environmental Protection Agency
5) The Idaho Department of Fish and Game
6) The Columbia River Inter-tribal Fish Commission
7) The Nez Perce Indian Tribe

Incredibly, no individuals or organizations representing the interests of the industries, their employees, or the local communities which are dependent on timber harvest from the forest, were invited to participate in this effort.

As a result, the final recommendations of this group, which were released last month, completely dismiss options for coordinated timber and fish management, and blatantly ignore the impacts of their proposal on local dependent industries and communities. The group's report starts by identifying "Best Future" and "Worst Future" scenarios for the South Fork drainage. The Best Future scenario is described , and I quote, as "an absolute prohibition on land disturbing actions." "Land disturbing actions," is the new Forest Service terminology for timber harvest and related activities. The Worst Future scenario is described as "additional sources of land disturbances are authorized and promoted." It is not surprising, therefore, that the group recommended what they call a "minimum management requirement" for the South Fork drainage which states that "(n)o land disturbing actions will be authorized until the habitat has been restored. . . ." Simply, this means that timber harvest will not be permitted in the South Fork drainage, even where it has been demonstrated that proper harvest practices are entirely compatible with fish management objectives, like the Secesh Timber Sale.

The Forest Service has informed us that they have adopted this recommendation and that the final plan for the Payette Forest will be consistent with the "minimum management requirement" as defined by this elite group. This action will almost certainly reduce timber sale programs from the forest even further, and accentuate the impact of timber shortages for our industry.

When essential decisions in Forest Service plans are made by limited interest organizations, it should not be surprising that the general interests of local industries and dependent communities are ignored and heavily compromised. We submit that such actions are blatantly contrary to the objectives of the Agency and the National Forest Management Act, and are a clear example of how the Agency has ignored community impacts in their decision process.

I appreciate the opportunity to testify today and would be happy to answer any questions at this time.

STATEMENT OF JOSEPH M. HINSON

Intermountain Forest Industry Association represents timber growers and wood product manufacturers throughout the Northern Rockies. We appreciate this opportunity to discuss before this committee the timber supply implications of the draft forest plans for Idaho. My testimony will focus on timber supply from a statewide perspective.

There are three sources of timber in this state--private lands, the national forests, and other public ownerships, including the state endowment lands. Historically, other public lands have provided 10 percent of total supply (the amount harvested each year), while the national forests and private lands have provided fifty and forty percent respectively.

However, over the past decade, increasing amounts of privately owned timber has been harvested, both in response to the high price of federal timber and to reduced timber sales from Idaho's national forests (sales during 1981-1984 averaged 108 million feet per year less than during 1975-1979). There is only 3 million acres of private timberland in Idaho. As harvesting was concentrated on this ownership, the inevitable happened--annual harvests exceeded annual growth. In 1984, the harvest from private lands was 861 million board feet, while growth was only 580 million board feet.

We must emphasize that harvest in excess of growth is not "bad management", per-se. Financial and silvicultural factors motivate private landowners to harvest timber. They are not and should not be limited by the harvest limitations that we find on public ownerships.

Financially, some landowners simply found timber prices during this period to be sufficiently attractive to cause them to sell logs. Others might have preferred not to sell, but, in fact, needed money to bolster declining farm or business income. Silviculturally, some landowners recognized that their timber was mature, had ceased growing, and that their mature timber and invest part of the proceeds into a new, fast-growing stand.

The three million acres of private lands will remain an important component of timber supply in Idaho. At current rates of harvest, however, we not only are cutting mature, ready-to-be-harvested timber, but also younger timber growing at an accelerated rate--what foresters call the "growing stock". But as timber becomes scarce over the next decade, prices for it will rise, causing more and more landowners to react in a perfectly rational economic sense, and sell their growing stock. In short, short-term financial considerations will outweight long-term silvicultural ideals. The result is that essentially all the sawtimber-sized trees will be cut, sharply reducing timber availability until the land can grow more. This is well documented in the 1985 Western Wildlands article "North Idaho's Private Wood Pile Going... Going...", written by Forest Service researcher Alan W. Green.

If Idaho's timber industry is to survive at its current level, then the national forests must now begin to meet their share of the state's timber needs. The draft plans of the Panhandle, Clearwater, Nez Perce, Payette and Boise National Forests must be modified so that the total allowable sale quantity increases from 679 million board feet to 900 million board feet. While this increase is large, it is not unreasonable, since each forest could choose an alternative plan which meets this timber supply goal, plus all the other needs for quality hunting and fishing, undeveloped and developed recreation, and scenic beauty.

We have attempted to analyze the impacts of this shortfall on an individual forest and "working circle" basis, a working circle being that area which normally supplies logs to the mills within it. In addition, IFIA has prepared a series of graphs, tables and illustrations which summarize the statewide economic impacts of inadequate allowable sale quantities, and we are happy to submit these for the hearing record.

Finally, we would summarize the economic impacts of an annual 220 million board foot shortfall to Idaho's economy by noting that it would cost 2,000 timber industry jobs over the next ten years. This failure to sell sufficient national forest timber would also cost each year:

1. $40 million in timber wages
2. $2 million in state revenues from taxes on these wages, and
3. $2.5 million in funds for county roads and public schools lost because more federal timber was not sold.

We believe the choice is clear for Idahoans, and should be to the Forest Service as well, as that agency finalizes its forest planning decisions. Allowable sale quantities--the maximum amount of timber available each year--must be increased. Unless they are, there is no chance that the industry can remain at its present strength over the planning period.

Thank you for the opportunity to testify.

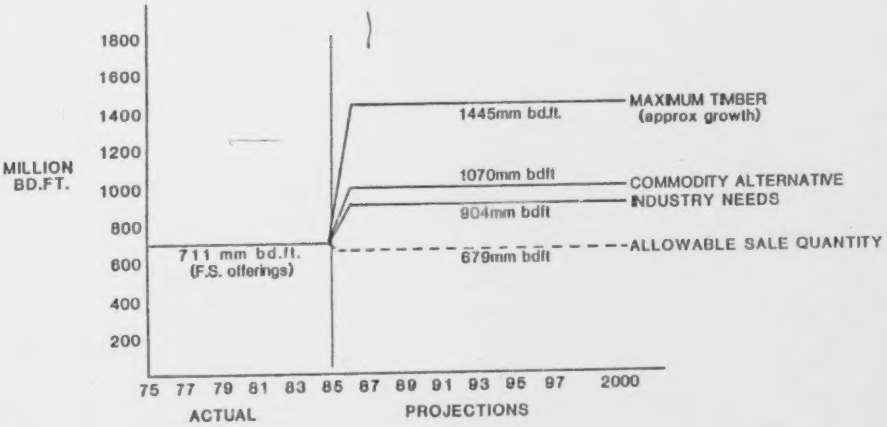
Table 1. Proposed Sale Quantities And Actual Yearly Needs
(Million Board Feet)

Forest	Draft Allowable Sale Quantity	Projected Need	"The Gap"
Panhandle	275	340	65
Clearwater	150	215	65
Nez Perce	100	125	25
Payette	74	95	21
Boise	80	120	40
Total	679	896	216

Table 2. Local Economic Effects Of The "Gap"

Forest	Effected Counties	Direct Job Loss	Secondary Job Loss	Annual County Road Funds Lost	Annual School Funds Lost
Panhandle	Bonner Boundary Kootenai Shoshone Benewah	553	1383	$614,250	$263,250
Clearwater	Clearwater Idaho Latah Shoshone Benewah	553	1383	$489,125	$209,625
Nez Perce	Idaho	212	531	$188,125	$ 80,625
Payette	Adams Valley Idaho Washington	179	448	$147,000	$ 63,000
Boise	Boise Elmore Gem Valley	340	850	$147,000	$ 63,000
Totals		1,837	4,595	$1,585,500	$679,500

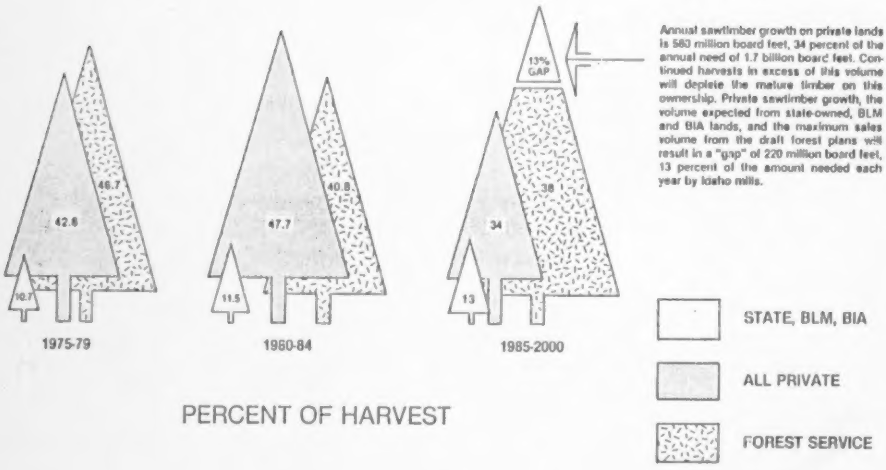
SALE PROGRAM OPTIONS*



* PANHANDLE, CLEARWATER, NEZ PERCE, PAYETTE, BOISE NAT'L FORESTS

IDAHO'S TIMBER SUPPLY

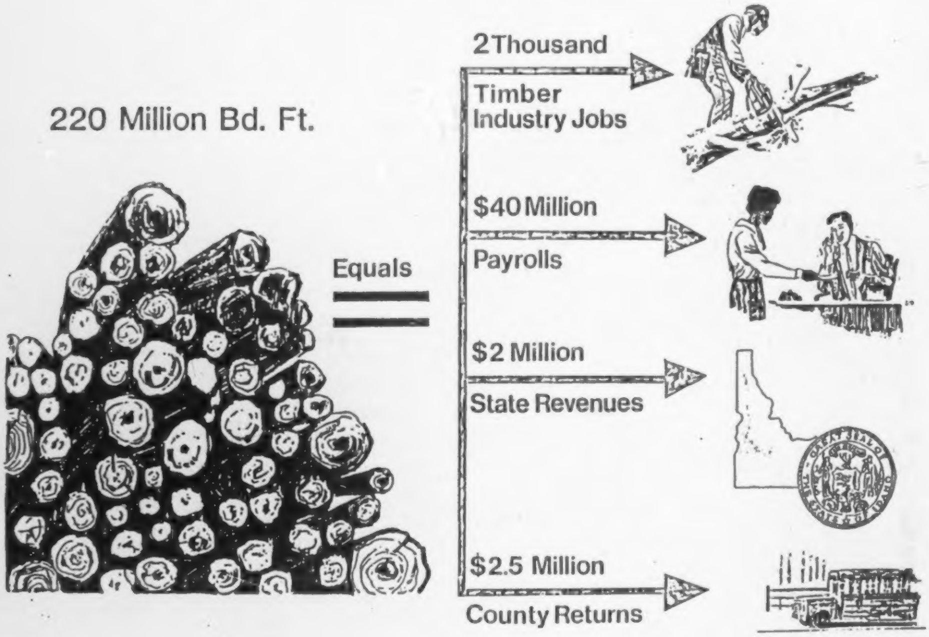
(Represents Total Annual need of 1.7 Billion Board Feet)*



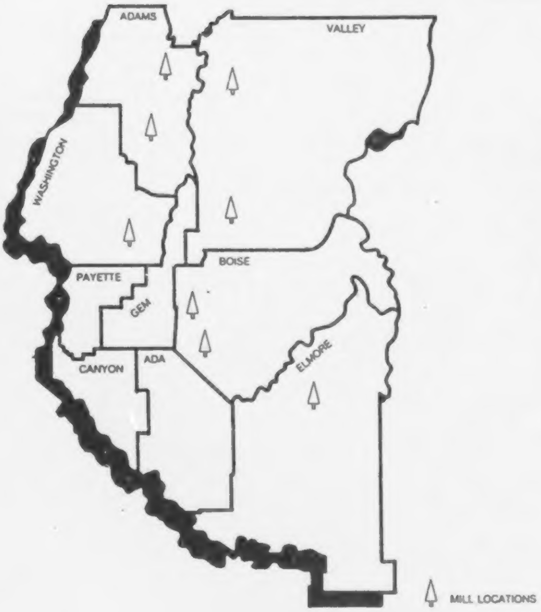
Annual sawtimber growth on private lands is 580 million board feet, 34 percent of the annual need of 1.7 billion board feet. Continued harvests in excess of this volume will deplete the mature timber on this ownership. Private sawtimber growth, the volume expected from state-owned, BLM and BIA lands, and the maximum sales volume from the draft forest plans will result in a "gap" of 220 million board feet, 13 percent of the amount needed each year by Idaho mills.

* exclusive of Southeast Idaho

Impact on the People of Idaho


220 Million Bd. Ft.
Equals
2Thousand
Timber Industry Jobs
$40 Million
Payrolls
$2 Million
State Revenues
$2.5 Million
County Returns

SOUTHWEST IDAHO WORKING CIRCLE
(PAYETTE, BOISE NAT'L FORESTS)


ADAMS
VALLEY
WASHINGTON
PAYETTE
GEM
BOISE
CANYON
ADA
ELMORE
MILL LOCATIONS

INSTALLED MILL CAPACITY — 400 MMBF

TIMBER INDUSTRY EMPLOYEES — 4,500

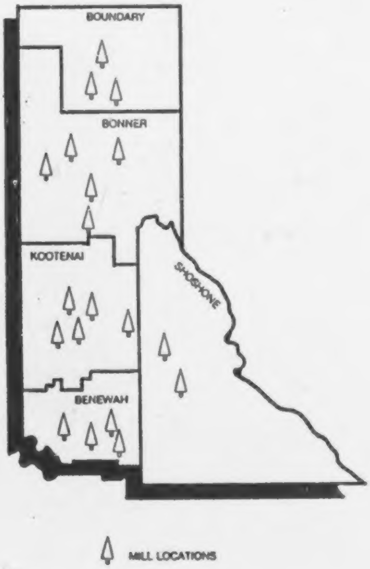
PRIVATE SAWTIMBER —	
GROWTH	80,062 MBF
HARVESTS	117,439 MBF

PERCENT HARVEST OF GROWTH — 146%

NATIONAL FOREST SAWTIMBER	
MAX TIMBER ALT (GROWTH)	315,000 MBF
ASQ (HARVEST)	152,000 MBF

PERCENT HARVEST OF GROWTH — 48%

PANHANDLE WORKING CIRCLE
(PANHANDLE NATIONAL FOREST)


BOUNDARY
BONNER
KOOTENAI
SHOSHONE
BENEWAH
MILL LOCATIONS

INSTALLED MILL CAPACITY — 833 MILLION BD. FT.

TIMBER INDUSTRY EMPLOYEES — 5,225

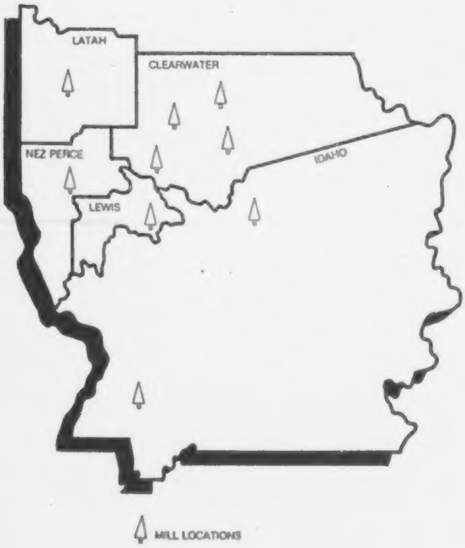
PRIVATE SAWTIMBER —	
GROWTH	278,147 MBF
HARVESTS	306,796 MBF

PERCENT HARVEST OF GROWTH — 110%

NATIONAL FOREST SAWTIMBER —	
MAX TIMBER ALT. (GROWTH)	614,000 MBF
ASQ (HARVEST)	275,000 MBF

PERCENT HARVEST OF GROWTH 45%

CENTRAL IDAHO WORKING CIRCLE
(CLEARWATER, NEZ PERCE NAT'L FORESTS)



INSTALLED MILL CAPACITY — 662 MMBF

TIMBER INDUSTRY EMPLOYEES — 5,220

PRIVATE SAWTIMBER

GROWTH	220,685 MBF
HARVESTS	519,882 MBF

PERCENT HARVEST OF GROWTH — 235%

NATIONAL FOREST SAWTIMBER

MAX TIMBER ALT (GROWTH)	522,000 MBF
ASQ (HARVEST)	250,000 MBF

PERCENT HARVEST OF GROWTH — 48%

Statement of James S. Riley

I am James S. Riley, Executive Vice President of the Intermountain Forest Industry Association, headquartered in Coeur d'Alene, Idaho. Our Association represents the forest products industry in Idaho and the other states in intermountain west.

I would like to focus my testimony today on three general characteristics of the Forest Service planning process which, we submit, largely account for the results of the plans proposed for implementation here in Idaho and the disruption they will cause to both the industry and the socio-economic structure of the local dependent communities.

First, the Forest Plans have failed completely to develop meaningful and accurate analyses of the timber supply and demand relationships which exist in the State. Mr. Hinson, and other witnesses, have provided specific timber production and consumption data for the various market areas, and have explained vividly the interaction between federal timber supply, private timber supply, and supplies from other sources. However, the Forest

Service, in the development of their Plans, have neglected completely any evaluation of the impact of their proposed programs with those from other supply sources. In part, this is a result of the Agency's failure to recognize the logical timber market areas, or working circles, which are vital to any analysis supply/demand/and consumption. Each forest has limited its attention only to an extremely inadequate interpretation of historic sell/purchase data for timber sales from the individual forest. For example, although all the eight large sawmills here in the southwestern Idaho market area process timber from at least two of the three national forests in the working circle, nowhere in the development of the Plans was the combined impact of the proposed timber sale programs from the Payette, Boise, and Sawtooth Forests ever considered. Each plan developed an independent assessment for that particular forest only. Furthermore, none of the plans attempted to evaluate the impacts of changes from non-federal supply sources and the subsequent impact these changes would have on the demand for federal timber. Thus, because of the piece-meal approach to evaluating supply and demand, each forest was able to conclude erroneously, that sawtimber demand was fully satisfied.

Second, no forest in Idaho, with the notable exception of the Payette, spent more than a cavalier effort to evaluate the economic links between the industry and the various sectors of the State and local economics. The Payette Forest, admirably devoted considerable effort to studying several local economies by collecting expenditure data from the sawmills and then tracking the flow of the expenditures through the other sectors of the economy. The remaining forests in the state employed broad material or state economic multipliers which mask the real impact on the smaller communities where most of our facilities are located. In light of the time and effort the Forest Service has devoted to developing refined estimates for sediment, wildlife, recreation, and other resource impacts, we submit that the Agency has been extremely remiss in neglecting to develop the accurate and specific data necessary to fully understand and display the actual impacts of their proposed plans on local economics.

Third, we find that the Forest Service has failed entirely to develop plans which contain any balance, or equal consideration of timber harvest opportunities and benefits. Each Forest Plan establishes a long list of minimum management requirements designed to enhance the interest of nearly every resource expect timber. Minimum management requirements are established for fish, elk, water, and endangered species, whether they exist or not, just to name a few. However, nowhere in the process does the Agency establish minimum management requirements to ensure the needs of the local communities and dependent industries are met. As a result, the Payette Plan, for example, recommends the designation of nearly 200,000 acres of additional Wilderness although the Plan admits the current Wilderness use on the forest is less than 3% of capacity. Furthermore, the proposed plan establishes an additional 430,000 acres of semi-private motorized recreation areas (essentially defacto Wilderness), while concluding that dispersed, non-wilderness recreation use is less than 1% of current capacity. Yet, when it comes to timber harvest and other development oriented programs, the proposed Plan falls far short of even the most conservative estimates of current demand.

It is clear that the Agency has lost all sight of their fundamental objectives as set forth by the Organic Act and embraced by all subsequent legislation, which quite clearly provides that the National Forests are to:

> "furnish a continuous supply of timber for the use and necessities of the citizens of the United States."
> 16 U.S.C. 475

More specifically, the law requires that:

> Management plans for national forest timber resources shall . . . provide . . . an even flow of national forest timber to facilitate the stabilization of communities and the opportunities for employment.
> 36 C.F.R. 221.3

The Forest Plans proposed for the State of Idaho simply and completely fail to meet these statutory requirements.

I appreciate the opportunity to testify today. I would be happy to answer any questions you may have.

Senator McCLURE. Senator Symms.

Senator SYMMS. Well, Mr. Chairman, first I'd like to compliment the four witnesses. You have presented some excellent testimony, and I think helpful testimony for our record and for our ability to make the case for more jobs and a better economy in Idaho. I particularly compliment you on these graphs. Even a one-eyed Senator can understand those.

And I just want to say that it certainly is a concern to me, John, in your statement—I had it underlined here—you said, "I have absolutely no doubt that if the proposed forest plans for the Boise and Payette National Forests are implemented without modification, it will force the closure of at least one, if not more sawmills in southwestern Idaho." That was in your opening statement. Then Mr. Hitchcock backed that up along with the other two witnesses.

So with that being a very clear statement, I find it rather concerning that the Governor would send testimony in here saying that he's a supporter of the timber industry and jobs in the State, and then turn around and support the forest plans. I mean, don't you find that somewhat conflicting? Which way are you supposed to go?

Mr. BENDER. Well, without responding to the Governor's position, you know, I would reiterate the comment that I made that the plans as presented right now, combined with all of the other known sources of timber, would, in fact, be less than the capacity that's currently operating right now in southern Idaho. And I would stand by the 30-plus million board feet figure.

Senator SYMMS. Well, now according to the graph that you put up, Joe, you say here that percent of growth is 48 percent. That's what the Forest Service is cutting off of their lands on southwest Idaho. Yet the percent of growth on private timber we're cutting is 146 percent. I'm looking at this graph here, this one.

Mr. HINSON. Senator Symms, that's correct. The 48 percent harvest as percent of growth is projected for the Forest Service.

Senator SYMMS. So you have no question but what there is adequate timber to up this cut without damaging the environment?

Mr. HINSON. No question whatsoever. The Forest Service has looked at alternatives that meet all objectives for other resources—fish, wildlife, scenery, recreation—and they've apparently rejected those alternatives which would have increased the allowable sale quantity in favor of alternatives with an inadequate sale quantity.

Senator SYMMS. Well, in contrast, though, the Forest Service high commodity output would estimate enough, but they're basing that on harvesting needed wood from roadless areas. That's the problem. Isn't that the rub, that every time we try to get a road in this area—I think one of the county commissioners stated very clearly that we need some kind of a preclusion from frivolous lawsuits.

Mr. HINSON. It has been a constant and growing thorn in our side.

Senator SYMMS. OK. Now were you here when the Governor's witness testified?

Mr. HINSON. I was not. I think Bob Hitchcock and John was.

Senator SYMMS. Well, the reason I bring this up, I asked what rationale the Governor used in vetoing the water quality standards bill that the Idaho Legislature worked through toward the close of the session. In my discussions with some of the supervisors of respective forests and the Forest Service, this has come up—the Forest Service managers have said to me that they thought that the failure to have water quality in part of the plan is going to add another burden that will make the Forest Service subject for lawsuits in the future. Would you——

Senator McClure. State water quality standards.

Senator Symms. The State water quality standards. Would you want to comment on that? And what was your opinion of what happened and how it came out that the bill was vetoed? Was the industry expecting this veto?

Mr. Hinson. Well, no, we weren't. We thought we had the problems solved. The problem that we have with national forest plans and State water quality standards is they are uncertain. And the comments that the State department of health and welfare makes to the Forest Service regarding whether the plans meet State standards or not, rather seems to cause the Forest Service to wring their hands and worry about it. The response is, Well, we don't know quite how to meet them because they're uncertain. So the best thing we can do is try and reduce the allowable sale quantity, maybe that will do it.

That flies in the face of a 2-year study that was recently completed that included environmental groups, health and welfare, fish and game, our industry, department of lands, where we found that Forest Service practices provided for high levels of water quality.

So on one hand they've been told they do a good job. On the other hand, the uncertainty of State water quality standards causes them to, I suppose, worry whether they do a good job or not. The response is to reduce the allowable sale quantity. We thought we had it worked out when House bill 711 passed overwhelmingly, had good support on both sides of the aisle, leadership of other parties supported it, and the Governor vetoed it. There's no question that this now adds another element of uncertainty to forest plans.

Senator Symms. I just have one more question, Mr. Chairman, and I want to ask it of Bob Hitchcock. I found your statement, as usual, excellent, Bob, but astonishing the land distribution statement on page 8 with respect to the South Fork of the Salmon. I worked long and hard on that, and at one time I thought we had the chief of the Forest Service persuaded—this would have been back in 1976—to go into the South Fork on a very careful timber plan and harvest 15 million feet a year for a period of years to see if any actual damage resulted and then up it to 30 million feet after a 10-year test period or something.

Is that a reasonable position, in your opinion, on the South Fork?

Mr. Hitchcock. I think it's very conservative, Senator.

Senator Symms. How much do you think we could harvest off the South Fork?

Mr. Hitchcock. Forty million, possibly more. Some of the best timber producing land is in the Payette Forest.

Senator Symms. Part of it is roaded already; isn't that correct?

Mr. Hitchcock. That's correct.

Senator Symms. So that it would not require extensive roading, but some new roads?

Mr. HITCHCOCK. Yes; I don't know the extent of the road system that would be required, but I'm sure without any detrimental effect on any of the fisheries we could be looking even today at a 20-million foot program sale in the Secesh at this time or in the South Fork.

Senator SYMMS. Does your experience on the Secesh, persuade you to believe that that's a correct analysis then?

Mr. HITCHCOCK. Yes.

Senator SYMMS. At what point on the Payette, where all the traffic from the Boise Valley which drives north in the western end of the Boise Valley, goes up Highway 95 and the rest of it Highway 55; at what point do we start running into a problem of having too much cutting on the west side of the Payette?

Mr. HITCHCOCK. I think we're there now.

Senator SYMMS. In other words, if we cut some on—the east side of the Payette is where the South Fork of the Salmon is—isn't that correct?

Mr. HITCHCOCK. That's correct. I believe that we have extensively cut on the west side of the forest. It's capable of sustaining what it's currently doing. However, we feel if it were to persist with the heavy cutting on the west side of the forest, that we would have no resource in a given period of time. I don't have a timeframe on that. But basically looking at the next 50 years, we feel that the development potential exists on the east side of the forest and not on the west side because it has already been developed. And we could very well run into problems, looking at wildlife, where wildlife is giving people much recreation as far as hunting. But there is going to be conflicts. And the east side of the forest is where we feel in the next 50 years the development, and I would estimate 50 percent of the total needs for the forest products industry in that area, should come from.

Senator SYMMS. Thank you very much. Thank all of you very much for your excellent statements. Thank you, Mr. Chairman.

Senator MCCLURE. Congressman Craig.

Mr. CRAIG. Thank you, Mr. Chairman. And to all of you, again, we appreciate your testimony and the extent of work that's obviously gone in to the preparation of the detail. Joe, your charts, graphs, and observations clearly demonstrate the effect of the plan and compares it to the historical level of forest activity. As such it is extremely valuable, and I'm glad that that will be entered into the record.

Let me ask one of you, and I don't know who could best answer this, in relation to the revenues produced, what multiplier factor for forest products dollars is used to determine the true value of that dollar coming down the local main street of a Cascade or a McCall? Can anyone answer that? Is it a three or four or five or seven factor?

Mr. RILEY. I think it's in the neighborhood of two to three, Congressman. I'm reaching through a lot of numbers here. We'd be glad to submit that for the record, through, in response to your question.

Mr. CRAIG. Well, I think it's three, from what I remember in my reading and studying of the issue. I was looking at the monetary shortfall as it relates to just the road dollars and the school dollars.

Finally, our counties are beginning to recognize the financial effect that could hit them in the next several years if the draft plans become a reality. I notice that Adams, Valley, Idaho, Washington Counties, Boise, Elmore, Gem, and Valley Counties have a total potential loss on an annual basis of $420,000. With a multiplier of three, it becomes pretty obvious that we're talking nearly $1.5 million in some very small communities where those dollars become very big dollars compared to Ada County. I think it's important for that to be noted in the record and to be understood.

In the region that you people have addressed, has mill capacity stayed relatively static over the last 10 years?

Mr. BENDER. I can speak for our particular company. If you go back 10 years—I'll actually go back to 1978.

Mr. CRAIG. Because I know we've had some mill losses; old mills close down, some mills modernize. Mr. Hitchcock spoke of his modernization.

Mr. BENDER. We have had some modernization also at the Boise Cascade mills, specifically at the mill at Cascade which replaced an older mill but increased the cut. I would, and this is from memory, I would estimate about 20 million feet a year. But in the same period of time, we've also seen from Boise Cascade closures of sawmills at McCall in 1978; at Barber in 1979; the sawmill itself in Emmett in 1982; and last year, in 1985, we took two shifts off within the region, one at Council and one at Horseshoe Bend. So that's a very brief recap of our particular experience.

Mr. CRAIG. Bob, can you react to——

Mr. HITCHCOCK. Yes; in the middle 1970's when we were getting a rather large quality log, we were cutting approximately 22 million feet annually at the Evergreen plant. Due to the smaller log mix, our efficiencies fell. We dropped down to 15 million feet. With the new operation, of course, we're going to be about 36 million feet this year with a potential of going up to 46 with the availability of timber.

However, the ability for us to expand was created by the Salmon River Lumber Co., mill going down, with us being able to third party timber what they had under contract. And that's the only reason. And, of course, hoping that the potential would exist that we could supply our needs from partially the Nez Perce National Forest and primarily the Payette National Forest which represents approximately 80 percent what we see for our future needs for our Evergreen facility.

Mr. CRAIG. So can you conclude from that that we have seen mill capacity stay relative static, increase or decrease? Total mill capacity in this region that we're addressing here of the Payette and the Boise.

Mr. HINSON. Congressman, Charles Kegan of the University of Montana just recently completed a study of mill capacity statewide, and it's broken down into north Idaho, south Idaho. The difference between 1979 to 1985. And statewide there was a 4-percent drop in mill capacity, which is relatively insignificant.

Mr. CRAIG. Over what period of time?

Mr. HINSON. 1979 through 1985, which were recession years. And despite the recession, mill capacity really did not drop significantly.

Mr. **Craig**. So we're looking at basically a status quo when we're talking about the necessary harvest to provide for current production capability. We're not asking for an increase because of an increased mill capacity, we're actually asking to maintain what we have today; is that not correct?

Mr. **Hinson**. Right.

Mr. **Riley**. That's correct.

Mr. **Bender**. I might also add to your question, Congressman, that the capacity utilization is the key figure and not necessarily capacity, because the way the industry keeps track of statistics, if the mill is closed but not dismantled it's still in-place capacity.

Mr. **Craig**. Yes.

Mr. **Bender**. And I don't happen to have the capacity utilization figure. In our particular case, if you use the amount of logs processed as an indicator, we would be looking at something in the vicinity of 15 to 20 percent less volume than we were mid to late 1970's.

Mr. **Craig**. OK. Gentlemen, thank you very much for your testimony. Thank you, Mr. Chairman.

[The information follows:]

North Idaho's Private Wood Pile—Going . . . Going . . .

Alan W. Green

Mark your calendars now for a happening in Clearwater County on or about May 30, 1993. A ceremonial axe will be ingloriously imbedded in the last big tree available for cutting on private land. If you can't make that one, a similar celebration could be held in the year 2011 to symbolize the felling of the last privately owned sawtimber tree available in all of north Idaho.

Sounds silly. And I doubt anyone believes it could, or will, happen. But those are the first implications of the data from the 1980 inventory of privately owned forest land in north Idaho (Van Hooser 1984).

The foundation for this rather grim outlook for the future is a "what if" question with one "given" and two "assumptions." Given the 1980 growing stock volume (trees five inches d.b.h. and larger) and assuming a continuation of the net annual *growth rate* and the *1980 level* of timber re-movals, what will be the consequences?

Let's look at some basic information from the forest inventory and the forest industry study (Keegan et al. 1982), critical for looking at the future of north Idaho timber supplies (Table 1). Remember these data are ony for private land in north Idaho.

> Non-industrial owners have nearly twice as much as forest industries. . .
>
> . . .62 percent of the volume. . .
>
> . . .two-thirds of the growth. . .
>
> . . .but provided only 41 percent of private land harvest.
>
> Deficit between growth and removals in 1980—27.8 million cubic feet.

Obviously with this kind of growth-removals deficit, today's timber supplies are going to run out very soon. "How soon" can be estimated (more or less) accurately based on some assumptions by looking at the situation in terms of an inheritance problem.

Suppose some kindly relative leaves you one million dollars. You invest the nest egg in something safe that pays a 3.26 percent return annually on your investment. The million dollars sounds ample, but your standard of living requires expenditures of $95,000 annually, and you will have to dip into the reserves. How long will the nest egg and its earnings hold out?

The calculation is straightforward, using the sinking fund or annuity formula:

$$a = V_0 \left[\frac{i}{(1 + i)^n - 1} \right]$$

Solving for "n", the number of years until present value "V_0" equals zero, given an annual payment of "a" and an interest rate "i". In this case, V_0 = $1,000,000; a = $95,000; and i = 3.26 percent. The inheritance would be gone in 13 years and about one month and three days.

Alan W. Green is resource analyst in the Forest Survey Research Work Unit of the U.S. Forest Service, Intermountain Forest and Range Experiment Station in Ogden, Utah. His career has included research in silviculture and regeneration, economics of timber production and foreign forestry resources. In addition to a degree in economics, he holds both BS and MS degrees in forestry from Purdue University.

Now then, about Clearwater County. The data show that for *all* private lands 1980 growing stock inventory volume was 778.9 million ft^3 and net annual growth was 21.7 million ft^3 (2.79 percent of the inventory). 1980 removals were 70.6 million ft^3 or 9.06 percent of the inventory and 325.35 percent of growth.

When you cut nearly 10 percent of your timber inventory in one year you know right away it won't last long. But how long?

Using the annuity equation:

$a = 70.6$ million ft^3
$V_0 = 778.9$ million ft^3
$i = 2.79$

now and rather decided commitments for the future.

Theoretically, private land could sustain the 1980 harvest level for 92.5 years. After that, the timber resource would be on the next cycle. But considerable work would be required to get the cutover lands back into production. In 1980, the estimated private land occupied by seedling/sapling stands (less than five inches d.b.h.) was a little over 185,000 acres. Also, more than 136,000 acres of productive forest land were not stocked.

Not just Idaho's economy is affected by future timber supplies. North Idaho became a *net exporter* of roundwood in 1980. The recession that began in the last quarter of 1979 forced the closure of many sawmills and curtailed production in others. That in turn dried up the supply of mill residues upon which the pulp and paper companies relied as a source of raw material. The round pulpwood harvest increased greatly in 1980, and north Idaho exported 82 million board feet (Scribner), much of that to the West Coast. Total exports from north Idaho to other states totaled 150 million board feet. That same year, imports to north Idaho totaled about 75 million board feet, mostly sawlogs.

The economic impacts of reducing harvest levels from private land to equal growth and

Figure 1
Growing stock volume (1980) projected with 1980 growth rate and removal assumptions

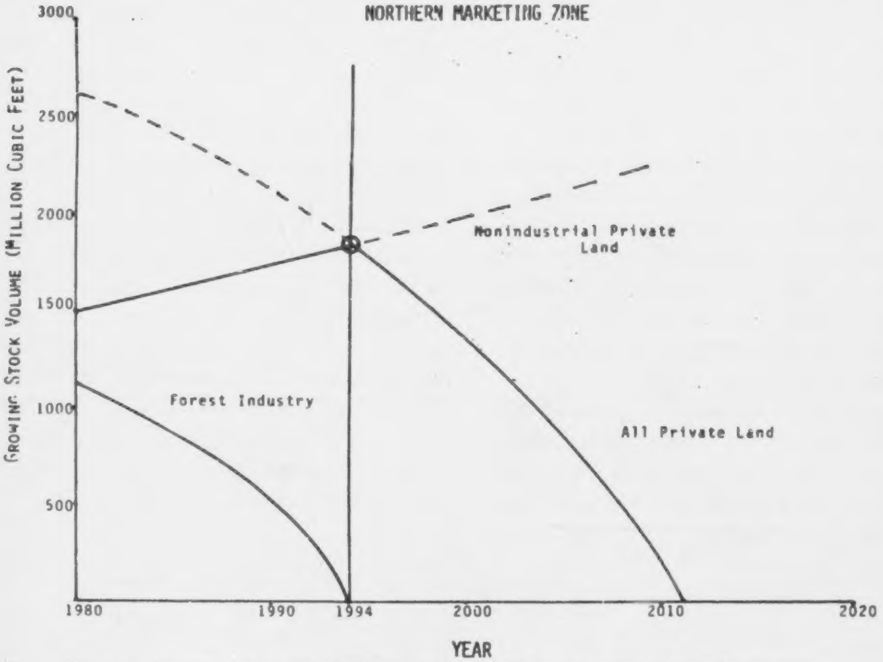


Figure 4.--Growing stock volume (1980) projected with 1980 growth rate and removal assumptions.

maintaining removals from public land at about the 1980 level would be considerable.

A study in Montana concluded that a change of one million board feet of round wood receipts to a mill carried along about five jobs (Keegan 1980). In Idaho, forest industry workers have an average annual salary of about $19,000. The 57.3 million cubic feet reduction in annual removals roughly converts to 286.5 million board feet. At five jobs per million, that reduces employment by 1,432; at $19,000 each, the wage and salary loss alone amounts to over $27 million annually.

I suggest that, because of the impending crunch, all parties wanting some piece of the timberlands action in north Idaho had better schedule a retreat (somewhere on neutral ground), have a pow-wow and barbeque, and sit around the old campfire and talk about it. That means the Forest Service, Bureau of Land Management, Bureau of Indian Affairs, the Indian tribes, Idaho Department of Lands, Fish and Wildlife Service, Sierra Club, congressional delegation, state legislators, Wilderness Society, industry representatives, tree farmers, non-industrial private owners and all others who have an interest in future timber supplies and their source.

There are all manner of considerations to be discussed, economic as well as biological. What are the goals of management or ownership for private timberland, or public land for that matter? Certainly timber is not the sole product of the forests, and management objectives influence the availability of timber for harvest. What amount of timber is or will in the future be available at given prices? And will that amount be sufficient to meet a perceived "need?"

These questions delve deeply into the realm of economics, which this discussion does not enter in any substantive way. But there are a few points to be made concerning the "conversational economese" common to the growth-removals situation in north Idaho.

First, basic assumptions always should be open to challenge. This rather abbreviated analysis began by presupposing the 1980 level of removals from private land (177.4 million cubic feet) was, and will be in the future, the quantity necessary to supplement removals from other sources to meet the wood "requirements" of the region. That may or may not be true.

There is a need to clean up the language to hold a constructive debate. What we have is the word "removals" hanging around with words having successively more severe economic overtones. "Wants" easily becomes "needs," then "requirements," then "demands," then "goals." And the 1980 level of removals somehow gets labeled "supply" and the residual growing stock volume "future timber supplies."

My brief analysis only looks at the consequences of continuing to remove more wood from the forest than is being grown. If the 1980 level of removals from private land is indeed what is needed to sustain the economy for the future, it can't be done. Investigations into ways to make timber reserves on the existing timberland base of 2.5 million acres last longer should be under way. If the sustainable level of removals from private land is insufficient, another activity should already be under way — finding out how much timber is and will be available from all other sources.

Too much is at stake to not begin now to develop strategies and specific tactics to confront the problem and mitigate the catastrophic damages portended by the specter of a timber famine surfacing once again. Because if the economy of the Inland Empire falls out of bed, it might make the crash of 1929 look like a slight technical correction. It seems unwise to spend a lot of time ignoring the possibility.

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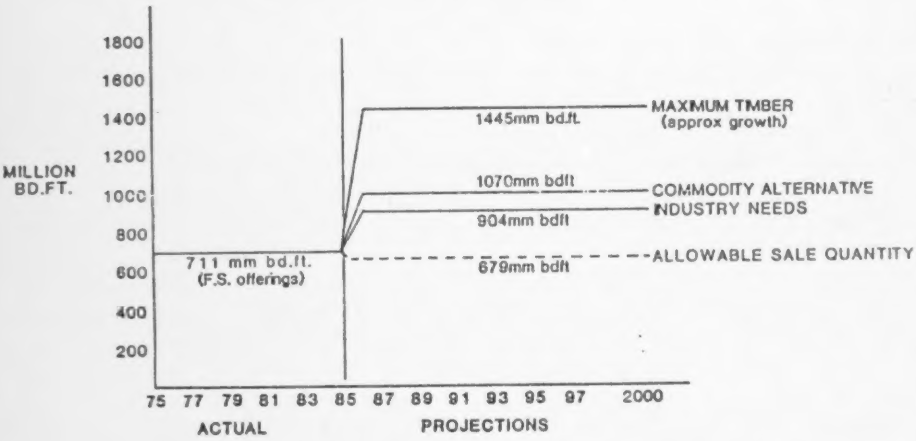
SALE PROGRAM OPTIONS*



* PANHANDLE, CLEARWATER, NEZ PERCE, PAYETTE, BOISE NAT'L FORESTS

Senator McClure. I want to followup on some of the statements that were made which I think may demand more explanation. On page 5 of your statement, Mr. Bender, at the top of the page you say. "Subsequently, numerous Forest Service timber sales went unsold between 1980 and 1984." There follows a reference to why, but I think maybe you better explain it a little more fully for the record why.

Mr. Bender. That basically has to do with the fact that that was a very low—or very poor market time, and that the timber sales went unsold not because they weren't needed to support operating capacity, but they went unsold because the economics just weren't there for them to be purchased.

Senator McClure. It was cheaper to operate on your private land?

Mr. Bender. That's correct.

Senator McClure. You'd sell your own lumber cheaper than the Forest Service could at that particular point in time?

Mr. Bender. That's correct.

Senator McClure. Let me ask a question generally speaking. Has the Governor consulted with the industry with respect to the aggregate impact, economic impact on your mills?

Mr. Hinson. No, sir.

Senator McClure. The reason I ask that question is earlier the Governor's representative indicated they consulted with various elements of the public. But apparently didn't call on you.

Mr. Hinson. Not that I'm aware of.

Mr. Riley. Our association was never consulted.

Senator McClure. Yeah. Mr. Hinson, on—if I can find the right place here—your statement on the bottom of page 1 and the top paragraph on page 2 is going to be characterized by some as supporting the "cut out, get out."

Mr. Hinson. Well, I suppose it could be, Mr. Chairman, but it isn't. Trees are living organisms. They start out rather slow, and then when they get 10 years old perhaps there is a spurt of growth. And when they get 50 years old or so, it slows down and then ultimately they die. And people harvest at the top of that curve, and will replace that large mature tree that has ceased to grow with a young seedling and you start the process over again. And that's what Boise Cascade has done. That's what Plum Creek Timber does. That's what Potlatch does. They're in it for the long run, and they're managing their timber for a future crop of trees.

Senator McClure. Well, then we shouldn't construe this statement then that appears on page 2 that says, and I quote, "In short, short-term financial considerations will outweigh long-term silvicultural ideals." How are we supposed to interpret that language?

Mr. Hinson. Well, I guess I really meant that to apply to a small landowner who has 40 acres and a ranch that's in trouble. Our problem that we see is those operators are cutting into the growing stock, and that is the trees that are still on the upward part of the curve.

Senator McClure. But you're not referring then to the Boise Cascades, the——

Mr. Hinson. No; that really doesn't.

Senator McClure [continuing]. Potlatches and the others who have large timber stands of their own?

Mr. Hinson. Right, it typically does not refer to industrial ownerships, but to the small nonindustrial ownerships. Those folks are cutting into their growing stock simply because it's large enough. Ideally, that should be left for a while from a silvicultural standpoint. But their short-term financial needs usually and can preclude that.

Senator McClure. Let me nitpick for a minute. I've never been known to do that before. But I want to point to the graphs and the tables that you have. I see a very small inconsistency, but perhaps—you know, when you balance the books at the end of the month and you're off 3 cents, you may cover up a $300 error.

On table 1, projected need: 896 million board feet. Refer then to the third sheet following that, sale program options. Commodity alternative industry needs 904 million board feet. Is there a difference between those figures that's greater than the 8 million board feet apparent difference?

Mr. Hinson. Oh, Mr. Chairman, there isn't. These numbers are a little hard to track through the system, and my guess is that we did these separately and you get rounding errors throughout the process.

Senator McClure. They're intended to be the identical figure?

Mr. Hinson. Yes.

Senator McClure. And that minor difference doesn't indicate any difference in base?

Mr. Hinson. No; it doesn't. Perhaps the optimum number is 900 million feet.

Senator McClure. A question to all of you with respect to the South Fork, if you can. My understanding of the current conditions on the South Fork are that the gravels are already impacted by sediments; is that correct?

Mr. Riley. Recognizing that none of us are hydrologists or fisheries biologists, Mr. Chairman, it is also our understanding that some of the gravels in both the spawning and the rearing habitat in the drainage is, in fact, already impacted by sediment, that's correct.

Senator McClure. Well, I note in one of your statements that the Forest Service said you can't go in there—you will not be permitted until the gravels have been rehabilitated.

Mr. Riley. That's correct, that's our understanding of the current interpretation from this specialized group that was put together and their recommendations which have now been adopted by the Payette Forest officials.

Senator McClure. Do your own fisheries experts indicate that? Mr. Hichcock, I think you said you employed or the industry had employed a fisheries biologist.

Mr. Hitchcock. Could Jim respond to that?

Senator McClure. All right.

Mr. Hinson. We, as was explained in Mr. Hitchcock's testimony, were only just last month advised of this new data, this new analysis, the results of the actions of this team. And it's only—it will be next week before our fisheries biologist will even have a chance to begin to look at the data that was collected and the analysis that was formed. So we're not prepared at this point in time to respond to that. We cannot, just because we haven't been allowed to participate in the process or examine the data to this point.

Senator McClure. Let me ask you a rather general question about the relationship between allowable sale quantity, a new term in the new forest planning process, the relationship between allowable sale quantity and biological yield or potential yield on the forest.

Mr. Riley. Our interpretation, and we've had numerous discussions with the Forest Service about the difference between what was previously called potential yield and currently called allowable sale quantity, the industry supports an interpretation of allowable sale quantity which is equivalent to the potential yield contract previously employed in the Forest Service plans. For example, on the Payette National Forest the indications of the analysis from the draft plan would indicate that the forest could, in fact, increase timber harvest product by approximately 24 million feet annually and still not violate any of the other objectives they set for themselves in the context of the preferred alternative.

However, when asked why they then set the allowable sale quantity 24 million feet lower than what the perferred client could, in fact, support, the response was because that was their assessment of demand and they wanted to put a ceiling on what they thought the industry could use rather than provide the flexibility.

Senator McClure. Let me ask a general question about how you would set a base period. Obviously what base period you select has a very great impact upon the results of averaging over a period of time. Now you've had some good years and some bad years in the last decade. Since 1975 through 1985, you experienced some of the highest and some of the lowest. Is that an appropriate decade for you to use, or is there another one that would indicate a better average of historic levels of production of demand?

Mr. Riley. Mr. Chairman, we disagree entirely with the notion that you can assess future demand for the next 10 years by some sort of analysis of what has historically happened. We feel, as these graphs indicate, that you are far better off to look at the existing inventory and project into the future what you would expect the changes are from other available sources in the market area and from other related market areas, related sources of supply rather than just historically average and say that's what it's going to be in the future.

Senator McClure. Well, I've asked this question at the other hearing and in other forums at other times, and I've gotten an answer that I want to try on you because my question has been somewhat along this line: That when you set the old forest plans based first upon the assessment of the potential yield of the forest, that was the ceiling. That was how much the forest could produce. And then you worked progressively from that ceiling downward in the actual application of sales that were offered and sales that were made and harvests that took place, each being at a progressively lower level. I think that's been correct; is that not right?

Mr. Riley. That's correct.

Senator McClure. I asked if you set allowable sale quantity then at a much lower level, doesn't it also mean that sales offered, sales actually made, harvests actually taking place won't also be successively lower than allowable sale quantity? The answer that has been given to me, "Oh, that's just an average and that some years it will be higher and some years it will be lower."

What is your response?

Mr. **Riley**. We are very concerned that allowable sale quantity will be treated in the appropriations process and the budgeting process as has potential yield and program sales quantities for the previous generation of land, where, in fact, it was lower.

Senator **McClure**. How else is Congress going to make an appropriation? If you have an allowable sale quantity level, what else does the appropriation process have to look at except to appropriate to an allowable sale quantity?

Mr. **Riley**. That's correct. We're quite concerned that Congress has two problems. The first of which is the allowable sale quantity or some point lower than that is used to formulate the Forest Service's budget request every year. Then when Congress does its appropriation need, it's necessarily going to wind up lower than that.

Second, the allowable sale quantity in the plan sets, if you will, what we call the environmental authority to perform on the ground. That's the maximum environmental authority. So even if Congress did determine through the appropriations process to fund the forest higher, they could not implement that on the ground because they haven't provided the environmental authority necessary to do so.

Senator **McClure**. Well, I'm very much concerned about what I—I have independently determined and said before you gentlemen have said it here, that if I take the aggregate of the plans within this region, I will repeat what I said even before you said it, that it looks to me like if the plan is not changed, that we'll have one or two mill closures in southwestern Idaho. And you confirmed that in each of two statements.

I am absolutely convinced that those who kind of brush that aside have not really analyzed the process. Perhaps I'm wrong, and we'll have other witnesses later we can ask about that. But you seem to confirm that by your testimony. It seems to me that as we look at an allowable sale quantity that is put at recent harvest levels, there is no real way of that against the potential of the forest to produce without damage to other values. That, I believe, is what you found in your conversions with the Forest Service personnel; that they are not really setting this allowable sale quantity at the level that's necessary to meet other values. They have for some other reason lowered allowable sale quantity below the levels that are necessary to protect other values.

Has that been your experience in conversations with Forest Service personnel?

Mr. **Riley**. That is definitely correct.

Senator **McClure**. Well, we'll have an opportunity to ask them about that later.

Mr. **Riley**. Very good.

Senator **McClure**. Gentlemen, thank you very much for your testimony. I appreciate it.

I think we'll take a short break. We've been at it for 2½ hours. I think the young lady keeping the record and others may need a stretch. We'll have a very short break.

[A brief recess was taken.]

STATEMENTS OF:

RICHARD JOHNSON, PUBLIC LANDS COORDINATOR, IDAHO CONSERVATION LEAGUE

DAN MAGERS, PRESIDENT, IDAHO STEELHEAD AND SALMON UNLIMITED

CRAIG J. GEHRKE, FOREST PLANNING SPECIALIST, THE WILDERNESS SOCIETY

RONALD D. MITCHELL, EXECUTIVE DIRECTOR, IDAHO SPORTSMEN'S COALITION

Senator McClure. Panel No. 4: Rich Johnson, Dan Magers, Craig Gehrke, and Ron Mitchell. Well, maybe the other two will come while you're talking. If you would please, proceed.

STATEMENT OF RICHARD JOHNSON

Mr. Johnson. My name is Richard Johnson, and I'm the public lands coordinator of the Idaho Conservation League [ICL]. The ICL has 1,500 members and is Idaho's largest conservation organization. On behalf of the member of the ICL, thank you for the opportunity to comment on this important matter.

We are very concerned by recent actions that on the surface appear to be efforts to circumvent the forest planning process in Idaho. Over 10,000 comments were received by the Forest Service regarding draft forest plans. The public has spoken. But now it appears the timber industry and its ardent supporters are trying to go ahead—go around the forest planning process, quite possibly at the expense of Idaho's national resources.

Timber is an important facet of the Gem State's economy, and it is not our intention or role to attack it. But we must understand that the timber industry is just that, a facet of a much larger economic picture.

What we need in Idaho is a rational balance, one that takes into consideration the varied uses of our national forests.

The effects of forest planning and timber management in particular on the economy of Idaho is of great concern to the ICL. We have prepared a major report on one aspect of forest management of great significance to the economy of Idaho—below-cost timber sales. I have enclosed a summary report as an addendum to my prepared statement for the subcommittee unable to attend today.

The public and Members of Congress need to realize that the timber industry is inexorably tied to Federal subsidies that keep sawlogs for sale far below actual costs. This subsidy to the timber industry averages over $16.5 million per year in Idaho.

According to Forest Service data, between 1979 and 1984, a period that includes both good and bad years for the timber industry, the Payette National Forest averaged a loss of over $1,700,000 per year. In not one of those 6 years did the forest show a positive return on its investment. The Boise National Forest averaged a similar per year loss, but did show a profit 2 of those 6 years.

According to region 4 economic analysis, the administration of a 74-million-board-foot annual harvest on the Payette National Forest, as proposed in the draft plan, would result in a subsidy to the timber industry of $6,000 per job.

Research has shown that as below-cost timber sales develop into below-cost timber programs, as on the Payette and to a lesser degree the Boise, the stabilizing effect diminishes. As below-cost timber programs increase, the dependent community expands its lumber operations, increases profits, all in an artificially supported economic environment. But when timber prices fall, the communities suffer far greater loss economically and socially than they would have had the below-cost timber programs not been in place.

In addition, and of greatest concern to the ICL, while subsidizing the timber industry, we are destroying valuable recreation and fish and wildlife resources. It makes no sense for taxpayers to pay for this loss of resource values. The Payette Forest, and in particular areas with anadromous fish habitat, have areas where timber interests have demanded harvests be increased despite the fact that they would destroy or compromise a perpetually productive resource if the area remains uncut. The Payette's timber program is entirely below cost, and the ICL feels the people of Idaho do not wish to subsidize this destruction of valuable salmon and steelhead habitat.

Forest plans as written will have a significant effect on Idaho's economy because few, if any, will receive the funding necessary to fully implement them. The ICL objects to this lack of budgetary realism in forest plans, and hopes that if plans are changed as a result of these proceedings, that all programs reflect the constraints of the current Federal budget. Already we are seeing recreation budgets slashed while road building to access below-cost timber increases.

After looking at the facts, it is clear the problems facing the timber industry are not as closely linked to a lack of supply as timber apologists would like to have us believe. As of last month, the Payette Forest had a 230-million-board-foot backlog of sold but uncut timber and the Boise Forest had a 250-million-board-foot backlog. The total for all Idaho forests is a backlog of well over 2 billion board feet. I have enclosed data on timber supplies in Idaho national forests in my prepared statement.

The Idaho Conservation League has many more concerns with the effects of forest planning in Idaho, but time does not permit a full review of them. I wish to reemphasize that it is a balance, a fair balance and an equitable balance, that is best for both the management of our national forests and the sustained economy of Idaho. Thank you very much.

Senator McClure. Thank you. Dan Magers.

STATEMENT OF DAN MAGERS

Mr. Magers. Ladies and gentlemen, my name is Dan Magers. I'm the president of Idaho Steelhead and Salmon Unlimited [ISSU]. ISSU is a nonprofit, educational scientific steelhead and salmon advocacy organization.

We appreciate the opportunity to provide input to the committee.

In 1985, 35,000 people purchased steelhead tags to fish for steelhead in the State of Idaho.

The average steelhead fisherman spent 6.8 days fishing for steelhead in 1985, which equates to 238,000 angler-days.

This average steelhead fisherman spent $72 cash each day on food, lodging, gas, terminal tackle, outfitters, et cetera, that he or she spent on the river and attributes an additional $28 per day to longer term consumptive items used in the sport such as boats, rods, reels, clothes, taxidermy, et cetera. This equates to $23,800,000 spent in Idaho in 1985 sport fishing for steelhead.

Even though exact figures are not yet computed, preliminary data indicates an Idaho sport fishing catch of 70,000 steelhead in 1985; 40,000 were released; 30,000 were harvested. Again, simple arithmetic brings us to the fact that in 1985 each steelhead caught contributed $340 to Idaho's economy. As you can see, the Idaho sport fisherman invested heavily in the future of this resource by releasing 13.6 million dollars' worth or 57 percent of their catch in 1985.

As a function of population, assuming Idaho equals 1 million people, steelhead fishing alone contributes $23.80 for every man, woman, and child living in our State to Idaho's economy.

It must be remembered these figures include Idaho steelhead sport fishing only. No economic research has been done on Idaho's salmon fishing resource, but the value per fish should be higher, not to mention the Nez Perce and Sho-Ban Tribes' commercial economic interest in salmon.

All this positive, economic benefit and the runs are just now rebuilding.

Idaho once had 8,000 miles of spawning, rearing, and migrating habitat for steelhead and salmon. Today 5,300 miles are available for use by our anadromous fish. Of the 66 percent that is left, 2,400 miles remain relatively undamaged, 2,700 miles have had barriers removed and are undergoing rehabilitation, and 2,700 miles have been eliminated by Hells Canyon and Dworshak Dams.

These figures can be massaged and used to add credibility to a variety of arguments. The point is 34 percent of our habitat is permanently gone, 33 percent is damaged, and 33 percent is relatively undamaged. The question is, How much can we afford to risk?

In regard to land-use practices, zero degradation should be the standard for which all agencies strive. Without habitat, we have no fish. Why don't we just increase hatchery production is a natural question.

There are tremendous problems with hatchery production. Hatchery inbreeding over several generations eliminates a fish's ability to reproduce or spawn naturally. Production, or number of eggs, per fish are substantially lower, requiring more and more fish to obtain the same egg take. Disease can wipe out entire runs, such as what happened at the Dworshak hatchery on the Clearwater just last week. And last of all, the expense of the hatcheries. Our electric bills pay millions for these hatcheries.

Why can we not just use Washington, Oregon, or Alaskan fish to reestablish Idaho populations? Experiments have proven these strains cannot survive a 1,800-mile round-trip journey from Idaho to the Pacific Ocean and back. Idaho anadromous fish have been genetically conditioned through over 15,000 years of genetic selection to withstand this journey. No other strain can survive it. Once Idaho fish are gone, they are gone forever.

Without wild and naturally spawning fish and their superior genetics, Idaho's anadromous programs are in real trouble. Wild and naturally spawning fish are the backbone of Idaho's anadromous program and are needed to reintroduce superior genetics into inbred hatchery stocks; eliminate the possibilities of a disease outbreak wiping out an entire run; utilize existing habitat for free production; and, four, provide a brood stock which can be used for rebuilding in the event of a disaster at the hatcheries, the dams, the Columbia River, or in the ocean.

Presently, the migration mortality of our steelhead and salmon is 10 percent in each of eight dams during juvenile outmigration, and 4 to 5 percent at each dam for returning adults. With ever-increasing commercial gill net fishing pressure on the Columbia River, the real question is, How much more can they take?

Idaho's wild fish habitat is only 33 percent seeded, 67 percent has no fish at all. Steelhead and salmon return to the exact stream of their origin to spawn. Habitat determines whether or not they spawn successfully, whether or not their young survive, and whether or not Idaho has a steelhead and salmon resource in the future. Again, I emphasize, no other strain can make it back to Idaho but Idaho's strain of steelhead and salmon.

ISSU is a multiuse organization. We believe Idaho's natural resources should be managed with all interests in mind. However, we urge the committee to understand what is at stake here and to structure the harvest of Idaho's renewable timber resource so as not to jeopardize nor do any further harm to Idaho's anadromous resources which are irreplaceable.

ISSU thanks you again for allowing us to testify on behalf of Idaho's steelhead and salmon. Thank you.

Senator **McClure**. Thank you. Craig Gehrke.

STATEMENT OF CRAIG GEHRKE

Mr. **Gehrke**. Good morning, Mr. Chairman, my name is Craig Gehrke, forest planning specialist for the Wilderness Society. On behalf of the society's 160,000 members, I appreciate this opportunity to comment on the effects of the national forest planning process on the economy of Idaho.

The Wilderness Society has long been dedicated to the principle of balanced multiple use on the Nation's forests and rangelands and to the protection of our country's wildlands. Since its beginning more than 50 years ago, the society has maintained a particularly strong interest in the national forests. Among the society's eight founders were two prominent foresters of that time, Aldo Leopold and Bob Marshall.

The society has recently taken a keen interest in the forest planning process. Nationwide, we produced several detailed critiques of the draft forest plans, including two in Idaho, Payette and Clearwater, and will evaluate the Boise after that draft plan is released. We are continually monitoring the progress of the first national forest planning effort directed by the National Forest Management Act.

I guess what brings us here a lot today is the charge that the national forests are not meeting their share of timber production in Idaho, and that it has historically been more than one-half. A review of the literature provided by the Idaho Department of Lands says that the last time that the national forests supplied more than one-half the timber logged in Idaho was in 1976, and before that 1971. During the period of 1969 to 1979, the Forest Service accounted for just over 49 percent of the timber produced in Idaho. From 1979 to 1984, the annual average has been just about 42 percent.

It's true that the timber harvest has declined from the national forests. Well, whether this is in response to poor economic conditions or if it indicates a long-term trend is unclear. As shown in figures 1 and 2 included in my testimony, the Forest Service and the private producers in Idaho have repeatedly traded places in terms of who made the largest contribution to the State's timber supply.

It's also been stated that the environmental constraints are why the timber harvests are down on the national forests. Some things to keep in mind are the national forests do have a different public land mandate than, say, the State private producers. The State of Idaho, for example, is to manage their land to get the highest net revenue, while the national forests are providing a sustained yield of all multiple uses. But I still see little evidence that environmental constraints are causing the decrease in the volume sold from national forests.

Figure 3 in my testimony shows volume offered for sale from the national forests of Idaho on the average are 16 percent—I'm sorry, was substantially above the volume sold. On the average, more than 140 million board feet, or about 16 percent of the timber offered for sale, went unsold. And this isn't just, you know, isolated to one or two forests. This is for all 10 national forests in the State.

Several people have already mentioned there is a substantial backlog—Rich mentioned it in his testimony—of about 2.2 billion board feet of sold but uncut timber from the national forest lands. This represents, given the 1979 to 1984 cutting levels, about a 3-year supply.

Now it's been charged that the Forest Service draft plans proposed to reduce the allowable sale quantity from approximately 824 million board feet to about 805 million board feet. I would submit that this is essentially a paper reduction since the actual volume actually sold and actually cut from the national forest does not approach the allowable sale quanity. In fact, from 1974 to 19—excuse me, 1979 to 1984, the average volume of timber sold on the national forest was 736 million board feet, and the value actually cut was about 661 million board feet, both of which are substantially lower than the proposed 805 million board feet that the draft plans will be offering.

Now no one is going to argue that the employment for the timber industry is down in Idaho. But I would think that there are several reasons besides supply, if supplies are reason to cause that. Figure 7 in my testimony shows that in 1979 and 1984, production was about the same, yet employment in the forest industry was 20 percent lower. And there's obvious reasons for that. Mills in Idaho have had to become more efficient, they've had to streamline their operations in order to be able to compete with other sources. For example, the Potlatch mill of Lewiston, when they refurbish that one I'm told they'll need 40 percent fewer employees to reach about the same capacity as the existing facility.

So what it gets back to, I guess, is a question of demand. In my testimony, I quote the demand projections forecast by the Northwest Power Planning Council, who are charged with predicting the economic growth for each economic sector in the Pacific Northwest. And the council forecasts dropping lumber and plywood production from the figures 1985 to 1995, and the statement and a table is included in my testimony.

I would like to summarize then and just say that given that current timber sale offerings currently exceed what is being actually sold and harvested, you've got to consider the other factors of market demand, technological change, and competition from more efficient producers is Idaho's problem in the timber market today. Thank you.

Senator McClure. Thank you. Mr. Mitchell.

STATEMENT OF RON MITCHELL

Mr. Mitchell. Mr. Chairman, I'm Ron Mitchell, executive director of the Idaho Sportsmen's Coalition. As a statewide conservation organization, we have taken a special interest in forest planning. How our national forests are managed determines to a large extent the quality of life we will experience in Idaho, both from an economic and a psychological-spiritual standpoint.

You've limited today's testimony to the economic impacts of forest planning, and I am submitting detailed written comments covering our viewpoint on that topic. But as you know, a considerable amount of new data concerning the economic value of hunting and fishing has been generated by the range and experiment station at Fort Collins under the aegis of the U.S. Fish and Wildlife Service, the Forest Service, and the Idaho Department of Fish and Game. So we'll be submitting that data for you so you can see what the latest figures are. But just let me make a couple of general points right now.

First of all, the economic impact of forest planning encompasses fish, and wildlife, and recreation resources, as well as timber and mining. In fact, the recreation-tourism industry is our third largest industry, larger than timber and mining combined, generating over $1 billion annually with 25,000 jobs and a payroll of $178 billion—$178 million, or 12 percent of Idaho's entire income.

Senator McClure. We wish you were right on the billion.

Mr. Mitchell. On the billion, right. It's sort of like somebody stated memberships in conservation groups. I remember Sun Valley.

Maintaining the quality of hunting, and fishing, and recreation on our national forests is essential to ensure continued growth of this industry.

Second, to insure the continued existence of the timber industry in Idaho, it is vital that we maintain the truly economically viable timber base, on our national forest lands. Overcutting this base, and thereby failing to manage it on a sustained yield basis, can only lead to the gradual economic atrophying of timber-dependent communities.

The current practice of the Forest Service's offering below-cost timber sales encourages overcutting of the economically viable timber base. Below-cost sales inflate the actual size of the timber base beyond what is economically viable, thus causing, in some cases, overcutting of the true timber base. This is a problem on all Idaho forests. Each year, the forests lose about $16 million, with over $96 million having been lost between 1979 and 1984; essentially taxpayer dollars appropriated by Congress for below-cost sales.

While such artificially expanded harvest reaps temporary profits for the stockholders of the big timber companies, they work against the long-term interest of the rank and file mill workers. The workers and their community become dependent on subsidized production that can, and does, vary widely in volume and longevity. When the national financial prerogatives are exercised by Congress and the subsidy shrinks, the communities suffer. More importantly, because timber harvests have exceeded the actual capacity of the timber base, the forest upon which the community is dependent for long-term economic support is overcut, thus reducing the community's timber savings bank account.

It is, therefore, absolutely vital that you, Mr. Chairman, and other members of Idaho's congressional delegation impress upon the U.S. Forest Service in the forest planning process the importance of not overcutting the truly economical viable timber base. Such concern is well-stated in the U.S. Forest Service's ruling on several Colorado plans, and that ruling said:

> * * * an explanation is needed as to why increasing the dependency of local community mill capacity and jobs which could result from an increase in sales of national forest timber with revenues exceeding costs will contribute to greater national or local welfare—especially since increased dependency upon submarginal timber sales would seem to result in potentially greater community instability due to uncertainties over continuation of a relatively high level of Federal funding to support such timber programs.

The future of Idaho's economy depends on the balanced multiple use of all the forest resources. We in the Coalition hope you will work toward that objective as you influence the forest planning process in the future. Thank you very much.

PREPARED STATEMENTS

Senator McClure. Thank you very much. Your prepared statements will be placed in the record at this point.

[The statements follow:]

STATEMENT OF RICHARD JOHNSON

My name is Richard Johnson, and I am the Public Lands Coordinator of the Idaho Conservation League. The ICL has 1,500 members and is Idaho's largest conservation organization. On behalf of the membership of the ICL, thank you for the opportunity to comment on this important matter.

There are a number of parties to this issue that were not invited to provide testimony, something that is cause for concern. Where are the state agencies, such as the Idaho Department of Fish and Game, the Division of Environment, Department of Health and Welfare, or the Governor's office? These are experts on forest planning effects in Idaho, and should be providing testimony.

The ICL has a number of concerns regarding the effects of forest planning efforts on the economy of Idaho, primarily due to its profound impact to the environment and quality of life in Idaho.

We are very concerned by recent events that on the surface appear to be efforts to circumvent the forest planning process in Idaho. Over 10,000 comments were received by the Forest Service regarding draft forest plans. The public has spoken. But now it appears the timber industry and its ardent supporters are trying to go around the forest planning process, quite possibly at the expense of Idaho's natural resources. I refer to the hold up of forest plans in the Northwest, the cumulative effects study of forest planning on timber-dependent communities, and the hearings held yesterday and today on the subject.

Timber is an important facet of the Gem State's economy, and it is not our intention or role to attack it. But we must understand that the timber industry is just that, a facet of a much larger economic picture. We see events of the recent past as an effort to see timber harvest levels increased and that timber be the main criteria in national forest management. This timber-first management will harm our economy in the long run, destroying the very values we as Idahoans most cherish.

What we need in Idaho is a rational balance, one that takes into consideration the varied uses of our national forests, the economic realities of timber management, the future needs of our population, and economies dependent on our national forests. We seek a balance and would contend that the timber industry is after no such thing.

The effects of national forest timber harvest programs on our developing outfitting and guiding and recreation industries need to be examined. What will the effects of forest plans, or alterations to them, be on the restoration of salmon and steelhead runs? In the interest of multiple use, the ICL recommends cumulative impact studies be conducted on these resources similar to the studies that are currently planned for timber dependent communities.

The effects of forest planning, and timber management in particular, on the economy of Idaho is of great concern to the ICL. In fact, we have prepared a major report on one aspect of forest management of great significance to the economy of Idaho -- below-cost timber sales. I offer the full report for inclusion in the hearing record, and have enclosed a summary of the report as an addendum to my prepared statement for the press and members of the subcommittee unable to attend today.

The public and members of Congress need to realize that the timber industry is inexorably tied to federal subsidies that keep sawlogs for sale far below actual cost. This subsidy to the timber industry averages over $16.5 million per year in Idaho.

There are cases where below-cost timber sales may be beneficial to the economies of dependent communities, such as a short-term responsive policy, but what we have seen develop in Idaho are long-term below-cost timber programs, where government supported timber sales are the only ones occurring.

According to Forest Service data, between 1979 and 1984, a period that includes both good and bad years for the timber industry, the Payette National Forest averaged a loss of over $1,700,000 per year. In not one of those six years did the forest show a positive return on its investment. The Boise National Forest averaged a similar per-year loss, but did show a profit two of those six years.

At what justification are taxpayers being forced to subsidize this industry? Community stability is the catch-all phrase.

But research has shown that as below-cost timber sales develop into below-cost timber programs, as on the Payette and to a lesser degree the Boise, the stabilizing effect diminishes. As the below-cost timber programs increase, the dependent community expands its lumber operations, increases profits, all in an artificially supported economic environment. But when timber prices fall the communities suffer a far greater loss economically and socially than they would have had the below-cost timber programs not been in place.

In addition, below-cost sales, while subsidizing the timber industry, are destroying valuable recreation and fish and wildlife resources. It makes no sense for taxpayers to pay for this loss of resource values. The Payette forest, and in particular areas with anadromous fish habitat, have areas where timber interests have demanded harvests be increased despite the fact they would destroy or compromise a perpetually productive resource if the area remains uncut. The Payette's timber program is entirely below-cost, and the ICL feels the people of Idaho do not wish to subsidize this destruction of valuable salmon and steelhead habitat.

Much has been said about the timber shortages that Idaho will face should forest plans be enacted as written. The only reason this industry can even consider such a concept, even if wrong, is the dependence on below-cost timber sales. If the timber industry needs more sawlogs to keep up in its subsidized economic vacuum, let them pay the actual total cost for them.

Forest plans as written will have a significant effect on Idaho's economy because few, if any, will receive the funding necessary to fully implement them. The ICL objects to this lack of budgetary realism in forest plans and demands that if plans are changed as a result of these proceedings, that they reflect the constraints of the current federal budget. And we mean all programs -- including timber harvest management and road construction. Already we are seeing recreation budgets slashed while roadbuilding to access below-cost timber increases.

It should be clear to anyone looking at the facts that the problems facing the timber industry are not as closely linked to a lack of supply as timber apologists would like to have us believe. As of last month, the Payette forest had a 230 Mbf backlog of sold but uncut timber and the Boise forest had a 250 Mbf backlog. The total for all Idaho forests is a backlog of well over 2 billion board feet! I have enclosed data on timber supplies in Idaho national forests with my prepared statement.

Idaho timber lacks demand and markets, not supply. Canadian imports and a shift of timber production to the south contributes to this problem far more than a lack of supply.

Why is the ICL so concerned with economics? Because the actions we speak of today will forever effect Idaho's natural environment. Also, budgets are now being considered that will increase timber and road expenditures while cutting into trails, fish and wildlife, and other equally important budget items.

The Idaho Conservation League has many more concerns with the effects of forest planning in Idaho, but time does not permit a full review of them. I wish to re-emphasize that it is a balance, a fair and equitable balance, that would be the best for both the management of our national forests and the economy of Idaho.

TIMBER SUPPLY DATA FOR IDAHO NATIONAL FORESTS

The backlog figures were obtained by personal contact with each forest and are accurate as of July, 1986. Six-year average figures for offered, sold, and harvested volumes were obtained from the Office of Timber Management, U.S. Forest Service, Washington, D.C.

	Backlog (Mbf)	Allowable Sale Quantity in draft plans (Mbf)	Six-year average (1979-84)		
			Offered (Mbf)	Sold (Mbf)	Harvested (Mbf)
Panhandle	800	250	289	274	209
Clearwater	480	150	161	133	137
Nezperce	180	102	102	83	65
Payette	250	74	70	61	50
Boise	230	78	102	67	75
Sawtooth	7	12	17	13	12
Challis	5	3	4	3	4
Salmon	20	21	32	22	17
Targhee	185	97	83	62	75
Caribou	18	10	18	16	16

THE PUBLIC COSTS OF IDAHO TIMBER SALES

A Report on Federal Deficit-Building Timber Management in Idaho

--Executive Summary--

IDAHO CONSERVATION LEAGUE

JULY 1986

Introduction

Timber harvest has a long and important history in the state of Idaho. The image of the independent logger working the national forests for an hones living is dear to Idaho's culture.

But the reality is that timber management in Idaho is supported by and dependent upon hidden federal subsidies in the form of sawlogs offered at below production cost. Timber cutting in Idaho is a taxpayer-subsidized, money-losing venture.

From 1979-1984, Idaho national forests averaged a return of 74 cents on every federal dollar invested, with some forests returning only 19 or 21 cents on every dollar. The average cost to taxpayers for this period amounts to over $16 million per year.

The timber industry is changing in Idaho. Canadian competition, outdated technology and mills, interest rate fluctuations, an increasing focus on forestry in the South have all been chopping away at this traditional Idaho industry. But the biggest problem facing Idaho's timber industry is the great dependence on below-cost timber sales and the refusal of the U.S. Forest Service to consider limiting them.

Timber programs in Idaho's national forests, rather than minimizing the degree of welfare logging, have continually maintained or expanded the level of federal support to Idaho's timber industry, thus increasing the cost to taxpayers for this industry.

While a workable definition of below-cost timber sales usable by all interest groups has yet to be made, the term refers to timber sales where the value of derived benefits (stumpage payments, extra big-game forage, roaded recreation, etc.) are less than the associated costs (sale preparation, administration, tree replanting, soil erosion, etc.). In other words, where costs exceed revenues. There remain as many definitions of a below-cost sale as there are critics; the costs and revenues used by each in their own definition lead to different cost:benefit ratios.

Below-cost timber sales can be found on all of Idaho's ten national forests, with some forests having not only below-cost sales but below-cost timber programs; the forest loses money on its whole timber program, not just in individual sales. In fact, averaging 1979-1984 timber receipts, all Idaho forests except the Challis had below-cost timber programs. This amounts to an annual federal subsidy of millions of dollars per year paid by U.S. taxpayers that is destroying wildlife habitat, compromising wilderness, and precluding the development of recreational opportunities.

The U.S. Forest Service, by relying legislation and policies that do not mandate making a profit in national forest management, justifies below-cost sales. But most significantly, the agency defends below-cost sales because of the need to maintain the economic viability of timber-dependent communities. Community stability is actually not a mandated concern of the Forest Service and recent research indicates that below-cost sales fosters economic instability. It also defends its policies of below-cost timber sales by the rationalization that the sales will have a net public benefit to the resources of the sale area (wildlife habitat improvements, increased access, etc.).

Economics are a major concern in below-cost timber sales, but it is likely that the conservation community would be less concerned if below-cost sales were occurring on already developed timberlands. Existing and future timber sales, and the road networks that accompany them, are a major threat to millions of acres of pristine roadless lands in Idaho. The survival of wild-stock salmon and steelhead is at risk, as is the future of threatened and endangered species, unique and scarce old-growth timber stands, valuable riparian habitat and water quality, and a rapidly developing recreation industry that is dependent on the very high quality of Idaho's wild country. Below-cost sales represent one of the biggest threats to the future of Idaho's forests as we know them today.

General forest management, and particularly timber management on national forests, are under the direction and guidance of the Multiple Use Sustained Yield Act of 1960 (MUSY), the Resources Planning Act of 1974 (RPA), and the National Forest Management Act of 1976 (NFMA). This legislation and the supportive regulations and policies provide forest managers with the backbone and framework upon which national forest management is based.

The main focus of the below-cost timber sale controversy revolves around the legislative intent of the National Forest Management Act (NFMA) and its accompanying regulations.

<> No existing legislation or regulation authorizes the Forest Service to develop forest management plans, timber programs or individual sales where costs exceed revenues for the purpose of supporting local economies.

<> When the Forest Service makes determinations of which lands are suitable for timber harvest, all costs and benefits must be considered -- economic, physical, and environmental. Timber harvest programs must not be developed for sites where dollar returns will not match timber management costs.

<> National forest timber programs should be cost effective, and Forest Service classification of lands for timber harvest must take into consideration economic realities as directed by NFMA, Section 6(k). The Forest Service has broadened the definition of economically suitable to include nearly any marginal acre of forest that has timber and could add to pre-determined regional and forest-wide timber objectives, regardless of the environmental consequences of harvest.

The Idaho Situation

Idaho contains ten national forests, some 20,385,566 acres, and each maintains a timber program. The Idaho forests are parts of two Forest Service management regions, Region 1 and 4. Region 1 national forests (Idaho Panhandle, Clearwater, and Nezperce) are the northern forests and lie above the Salmon River. Region 4 forests (Payette, Boise, Sawtooth, Challis, Salmon, Caribou, and Targhee) lie to the south of the Salmon River.

The Region 1 forests are characterized by better timber stands and production than Region 4 forests, offering a greater opportunity for cost-effective timber management, an opportunity more often missed than used. They also offer some of the finest wildlife habitat in Idaho, a state that prides itself on unparalleled hunting and fishing.

The southern forests are characterized by a drier climate, and large roadless areas with timber stands that are expensive to access and regenerate. These forests generally have proportionately more below-cost timber sales and smaller timber programs.

More dollars were lost by the seven Region 4 forests than the three in Region 1, even though Region 4 produced only 60 per cent of the timber volume supplied by all of Region 1.

As is clearly demonstrated by the studies referenced in "The Public Costs of Idaho Timber Sales," Idaho national forests are not being managed in a cost-effective manner and federal funds are being squandered for timber management activities on sites where no prudent operator would expect a reasonable return on investment. While the availability of accurate and up-to-date financial data is limited, the facts remain clear -- the Forest Service, and taxpayers, are paying an enormous cost to maintain timber programs in Idaho.

A useful and accurate portrayal of the below-cost sale situation in Idaho is Table 1, based on data released by the Forest Service in 1985. It offers a six-year average (1979-1984) of timber receipts and expenditures including road costs. The six-year average also includes both good and bad years for the industry, as well as years that fall in-between.

Nine of the ten Idaho national forests could not show a positive dollar return in the six year average -- the Challis forest being the exception with the state's smallest timber program and a minimal return of $5000. All other forests have had negative average returns for the six year period, although during particularly good years several forests did have positive returns in years between 1979 and 1984. Four forests were failed to show a positive return for any of the six years (Sawtooth, Targhee, Salmon, and Payette).

The enormous cost of roads is clearly shown in the table. Where the Nezperce had a six year average of $6.2 million in timber receipts, over the same period they averaged over $6.5 million in road costs each year to access that timber. During 1979-1984, nearly $36 million was spent on roads statewide for timber programs.

The development of roads, and the increasingly high cost of them, is a major problem with timber programs in Idaho and constitutes one of the biggest threats to wildlife and remaining wild lands. Unless curbed by the Forest Service or Congress, road building will increase, for virtually all Forest Service management plans call for roading of undeveloped, areas to remove timber. These remaining timberlands are, in most cases, steep, rocky, fragile, highly erosive, and higher elevation sites with higher development costs and lower timber values.

As the best and most accessible timber is harvested and if the Forest Service maintains its artificially high timber goals, it will become increasingly necessary to access these marginal sites, increasing the deterioration of the benefit:cost ratio.

The Sawtooth forest, even with all road costs excluded, still was unable to show a profit in any of the six years, winning the dubious honor of the state's most inefficient timber producer. The Sawtooth returns only 19 cents on every federal dollar invested.

In painting the economic picture of Idaho's timber program it is hard to find bright spots.

TABLE 1

AVERAGE TIMBER RECEIPTS & EXPENDITURES ON IDAHO'S NATIONAL FORESTS, 1979-1984
(thousands of dollars)

	Timber Receipts			Timber Expenditures				Net	Ratio	Yrs with	Yrs/Positive
Forest	Cash	Non-Cash	Total	Prep& Admin	Reforest.	Roads	Total	Timber Receipts	Receipts to Expend.	Positive Ratio	Ratio Excluding Road Costs
Clearwater	7079	2363	9441	4816	876	5723	11416	-1975	0.83	2	5
IPNF	11206	6679	17885	7119	1269	12199	20587	-2702	0.87	2	5
Nezperce	2609	3634	6243	2470	364	6549	9383	-3141	0.67	1	6
Total R-1	20894	12676	33569	14405	2509	24471	41386	-7818	0.81	-	-
Boise	3716	2161	5877	1960	747	4947	7654	-1777	0.77	2	4
Caribou	407	146	553	273	96	425	794	- 241	0.70	1	3
Challis	293	17	310	98	51	156	305	+ 5	1.02	3	4
Payette	2015	635	2650	1714	553	2147	4414	-1764	0.60	0	5
Salmon	339	201	540	1030	209	1328	2566	-2066	0.21	0	1
Sawtooth	125	56	181	391	85	492	969	- 788	0.19	0	0
Targhee	1478	535	2013	1486	293	1915	3694	-1681	0.54	0	4
Total R-4	8373	3751	12124	6952	2034	11410	20396	-8272	0.59	-	-
State Total	29267	16427	45693	21357	4543	35881	61782	-16090	0.74		

Timber Receipts are the sum of cash and non-cash receipts for harvested timber. This reflects the fact that only a portion of the timber harvested on national forests is exchanged for cash. The remainder is given to timber purchasers as payment for the construction of timber access roads. Such in-kind payments are known as "Purchaser Road Credits". Other roads are paid for with funds appropriated by Congress.

Timber Expenditures are defined as follows: (a) Sale Preparation and Administration — includes expenditures for sale preparation and administration, stand exams, timber salvage operations, timber sale support; (b) Reforestation ans Stand Improvement -- includes KV (Knutson-Vanderberg) but not appropriated funds for timber stand improvement and reforestation; (c) Timber Road Construction -- includes purchaser road credits, road contribution, engineering support expenses and appropriated funds used for timber road construction.

SOURCE: U.S. Forest Service, Washington Office, March, 1985.

Future Indications

Available forest planning documents do not disclose meaningful information on the future of below-cost sales in Idaho, but some clear indications of economic efficiency are evident. The Nezperce, Challis, Payette, Salmon, and Sawtooth National Forests all expect timber costs to exceed returns for the first 10 to 20 years of the plan's implementation. Timber program profits in new or pending forest plans for the Clearwater, Caribou, and Targhee forests are uncertain, while the Idaho Panhandle offers the only clear opportunity to develop a positive return to the treasury. No information is currently available on the Boise National Forest, for its draft management plan has not been released. Certainly if the past is any indication of the future, Idaho forests will continue to operate and foster below-cost timber programs.

Should Idaho forests maintain or increase timber yields into the future, the trend will be toward an increasing amount of below-cost sales and a further deterioration of the benefit:cost ratio as the more accessible timber is harvested and efforts are made to harvest more marginal and inaccessible sites. Road and mitigation costs will increase and the quality of timber harvested will tend to decrease as the more marginal sites are harvested.

Timberland Suitability, Budgets, and Forest Planning Assumptions

All forests must determine which lands are suitable for timber harvest as required by NFMA. There is a disturbing lack of uniformity among the Idaho forests' suitability classification process. Agency direction regarding coordination among neighboring forests appears to have been disregarded.

Special habitat types, particularly riparian zones and old-growth stands, have not received uniform consideration in classification for timber harvest.

There is ample evidence that riparian zones require such special and costly management as to render most logging and development uneconomic. The Caribou and Salmon forests consider all riparian zones as unsuitable and the Clearwater, Idaho Panhandle, and Payette have classified some or most of their respective riparian zones as unsuitable for commercial logging. Any forest plan that conforms to national regulations and policies results in management prescriptions that preclude economic silvicultural logging practices.

The three northern forests estimate only about 618,000 acres of remaining old-growth habitat north of the Salmon River. NFMA regulations regarding biological diversity require that adequate old-growth timber stands of sufficient size and dispersement be maintained forever. It appears prudent to classify all north Idaho old-growth as unsuitable for timber harvest rather than gamble on managed old-growth prescriptions.

Four Region 4 forests discuss economic factors in timberland suitability in their draft and final plans, and the Boise and Targhee classifies some timberlands unsuitable due to economic constraints.

Only the Idaho Panhandle National Forest considered a limited budget alternative that will reduce the timber base should the proposed plan be implemented with a less than optimal budget -- certainly a very real consideration.

All of the proposed forest plans of Idaho forests require increased budget levels for proper implementation. Not one of the forests has indicated any intent to explore a budget shortfall before finalizing forest plans. The spread in increased budget needs for the new forest plans range from a low of 5 percent (Caribou) to 27 percent (Sawtooth), averaging about 12 percent. It is quite apparent that none of the national forests will receive the increased budgets required for full plan implementation. Federal government funding is on a rapid downward spiral, and no national forest programs will be totally immune. Gramm-Rudman legislation requires continual cuts through 1991 to achieve a balanced federal budget which will severely limit first decade forest programs.

The development of realistic timber programs with realistic budgets would greatly assist in the preservation of marginal timberlands that are not economically efficient for timber production but are important producers of other multiple uses.

The intent of NFMA's authors regarding economic screening for timberland suitability is clear. There is no evidence that any forest completed and utilized a meaningful assessment of economic efficiency as required in NFMA regulations.

FORPLAN is the computer model used by the Forest Service in forest planning and modeling. There are significant problems with the data used in this computer model.

Stumpage values and future price trend projections used in FORPLAN are critical data items in forest planning. There is ample evidence that all Idaho forests used stumpage value formulas that grossly overestimate timber values. The most current price trend information from Forest Service researchers indicates price increases of about one percent annually rather than the 4.1 percent increases used in FORPLAN. The stumpage trends used in FORPLAN result in price increases of almost 900 percent from 1976-2030. In contrast, the one percent per year rate results in only a 50 percent jump for the same period. Dramatic changes in present net value, timber suitability classes, and timber harvest levels are predicted if the correct stumpage values and trends are utilized before the majority of plans are finalized.

While stumpage prices and trends used in FORPLAN are over inflated, costs associated with timber production and roading are underpriced. There is also no indication in the plans that these costs will increase due to higher costs associated with harvests planned in roadless, marginal sites.

By using overpriced timber values and underpriced timber costs, present net value and timber program dollar values are greatly exaggerated upwards in forest planning, creating false feelings of security in timber dependent communities. If up-to-date accurate data was used in forest planning and modeling, the extent of Forest Service below-cost timber programs would be more effectively represented. In fact, proposed Forest Service timber management programs would look far more economically inefficient.

Even with these very generous price trends and very low cost assumptions, a number of Idaho forest plans still show poor present net values or negative cash-flow projections for the first and second decades of the proposed forest plans.

Below-Cost Justifications

Supporters of the Forest Service policy of below-cost sales correctly point out that MUSY and NEPA do not require the Forest Service make a profit in its commercial activities. The argument is offered that wilderness areas, campgrounds, and other recreation activities also do not provide a profit to the Forest

Service. It is, however, important to note that no other activity on national forests destroys so many values as timber harvest and roading. To subsidize this destruction in the face of increasing use of those resources is irrational.

Community stability is one of the long-standing perennial reasons cited by the Forest Service to support and justify its uneconomic timber programs. There is an essentially unchallenged credo that in small, sawmill-oriented communities where federal lands are a major sawlog supplier, that a nondeclining even-flow of timber is imperative to maintain the communities' economic well being.

A recent Duke University economic study of eight Montana timber oriented counties during 1968-1981 refutes this belief and concludes that this Forest Service policy has only a narrow stabilizing impact and that generally the impact of a guaranteed fixed harvest is small and destabilizing. "A Forest Service policy maintaining timber harvests at their previous level succeeds in holding the output of the wood products sector at its former level but causes sufficient displacement of capital from other sectors of the economy to create more than off-setting losses in...nonwood products sectors... A guaranteed harvest policy has a negative impact on any measure of social welfare within the community..."

Con Shallau, a noted Forest Service research economist at the Pacific Northwest Research Station supports this conclusion and stated at the 1986 conference on below-cost sales that linking community stability with non-declining sales programs is not defensible.

In his July 31, 1985 decision on an appeal of several Colorado forest plans, Deputy Assistant Secretary of Agriculture Douglas W. MacCleery stated that "increased dependency upon submarginal sales would seem to result in potentially greater community instability due to uncertainties over continuation of a relatively high level of Federal funding to support a timber program with costs greater than revenues."

The Forest Service policy of community stability, while costing the millions of dollars per year, is nothing more than an old tradition that has enormous political support at the local and state levels. It is not mandated in any legislation.

Not one of the borderline or submarginal Region 4 forests (Sawtooth, Challis, Salmon) in Idaho gave serious consideration in their draft management plans to the option of a reduced or declining timber sale program. Even though these forests had alternatives that would actually cost less and would have returned a larger present net value, they proposed alternatives that maintain an increasing or even flow of timber, and cost more. This trend is found throughout the state.

It is overly simplistic to believe that preserving each national forest's timber output at the status-quo (or higher) level will guarantee long-term employment and community prosperity. A phase out of below-cost sales would have localized effects on employment in Idaho, but the numbers are small and well within the normal, market-influenced cycles that all of these communities have previously experienced. More jobs have been lost to mill modernization and automation, plus closure of obsolete, non-competitive sawmills than might result from future below-cost timber sale restrictions.

If job protection and community stability become so politically inviolate that below-cost sales cannot be phased out, than the taxpaying public needs to be informed that the Idaho timber industry's dependence on hidden federal subsidies in the form of below-cost sales is a form of welfare.

After community stability, one of the major arguments used in support of below-cost sales is the positive benefits of a sale to non-timber resources. It is also one of the weakest in Idaho. A timber sale and the roads associated with it may increase big-game forage, roaded recreation opportunities, better insect and disease control, better fire fighting access, etc. The need to road and harvest an area is repeatedly justified by the Forest Service as needed to benefit these kinds of resources.

The reality is that most Idaho timber sales, profitable as well as below-cost, create a net loss to most other values, especially in respect to soil stability, erosion rates, water quality degradation, and losses to fish and wildlife habitat.

It is virtually impossible to road and log an undisturbed area without accelerated soil movement, some of which ends up in water sources. While timber harvest can create some forage improvements for wildlife, the cumulative impacts to the habitat are invariably for the worse. And where roaded recreation opportunities are cited in defense of a sale, the fact that a huge amount of roads already exist to supply all needs for this type of recreation for the present and foreseeable future is generally omitted.

When all factors are objectively considered, it will take an exceptional below-cost timber sale to yield positive values for other multiple use resources when compared to pre-sale conditions.

Recommendations For Change

The current economic condition of timber management, specifically regarding below-cost timber sales, and the proposed direction set by forest plans points to a disturbing tendency to maximize timber output, subvert the intentions of the NFMA, and override management of other multiple uses.

Specific recommendations follow that would alleviate the major planning and management deficiencies. Additional recommendations are listed in "The Public Costs of Idaho Timber Sales."

Legislative Needs

1. Require the Forest Service to develop a new timber marketing policy for national forest timber that considers national, regional, and subregional markets.

2. Revise the current Forest Service timber appraisal system that accurately reflects costs incurred by the Forest Service.

3. Establish as the intent of Congress that commercial activities on the national forests are to be managed so as to return all direct and indirect costs to the government. Deviations from this intent would be permitted for short-term periods (less than three years), only when there is a compelling national interest.

4. Develop a Forest Service accounting system that makes available on an annual basis all of the costs, bid values, receipts and revenues associated with the timber management program, aggregated by: individual sale, ranger district, forest, National Forest System; also by county, state, and congressional district.

5. Revise and strengthen NFMA 6 (k) as to the intent of Congress in respect to the role of economics in determining timber suitability.

Regulatory Needs

1. Require each forest to implement the use of IRPM (Integrated Resource Planning Model) or other similar linear-programming techniques to plan future road systems and timber sales. No new sales will be programmed into existing roadless areas unless this analysis demonstrates a long-term positive net value.

2. Classify all riparian zones as unsuitable for commercial timber management. Classify all old-growth timber stands essential for long-term maintenance of plant and animal diversity goals as unsuitable for commercial timber management. Remove these areas from the timber base used to calculate annual sale quantity or long-term sustained yield.

STATEMENT OF DAN MAGERS

My name is Dan Magers, President of Idaho Steelhead and Salmon Unlimited. ISSU is a non-profit, educational, scientific steelhead and salmon advocacy organization.

We appreciate the opportunity to provide input to the committee.

In 1985 35,000 people[1] purchased tags to fish for steelhead in Idaho.

The average steelhead fisherman spent 6.8 days fishing for steelhead in 1985 which equates to 238,000[2] angler days.

This average steelhead fisherman spent $72.00[2] CASH each day (food, lodging, gas, terminal tackle, outfitters etc.) he or she spent on the river and attributes an additional $28.00[2] per day to longer term consumptive items used in the sport (boats, rods, reels, clothes, taxidermy etc.). This equates to $23,800,000 spent in Idaho in 1985 sport fishing for steelhead.

Even though final exact figures are not yet computed, preliminary data indicates an Idaho sport fishing CATCH of 70,000[1] steelhead in 1985. 40,000 were released and 30,000 were harvested. Again, simple arithmetic brings us to the FACT that in 1985 each steelhead caught contributed $340.00 to Idaho's economy. As you can see the Idaho sport fisherman invested heavily in the future of this resource by RELEASING $13,600,00 worth or 57% of their catch in 1985.

As a function of population (assuming Idaho = 1 million people) steelhead fishing alone contributed $23.80 for every man, woman and child living in our State to Idaho's economy.

It must be remembered these figures include Idaho steelhead sport fishing only. No economic research has been done on Idaho's salmon fishing resource but the value per fish should be higher not to mention the Nez Perce and Sho-Ban tribes commercial economic interests in salmon.

All this positive economic benefit and the runs are just now rebuilding!

Idaho once had 8,000 miles of spawning, rearing and migrating habitat for steelhead and salmon. Today 5,322 miles are available for use by our anadromous fish. Of this 66% that is left, 2,403 miles remain "relatively undamaged"[3], 2,705 miles "have had barriers removed and are undergoing rehabilitation"[3] and 2,736 miles have been eliminated by Hells Canyon and Dworschak dams.

These figures can be massaged and used to add credibility to a variety of arguments. The point is 34% of our habitat is permanently gone, 33% is damaged and 33% is relatively undamaged. The question is how much more can we afford to risk?

In regard to land use practices, "zero degradation should be the standard for which all agencies strive"[3]. Without habitat, we have no fish. Why don't we just increase hatchery production?

There are tremendous problems with hatchery production:

1. Hatchery inbreeding over several generations eliminates the fishes' ability to reproduce naturally.

2. Production (number of eggs) per fish are substantially lower requiring more and more fish to obtain the same "egg take".

3. Disease can wipe out entire runs, i.e. Dworschak hatchery LAST WEEK ON THE CLEARWATER.

4. Expense - Your electric bills pay millions for these hatcheries.

Why not just use Washington, Oregon or Alaskan fish to re-establish Idaho populations? Experiments have proven these strains can not survive an 1,800 mile round trip journey from Idaho to the Pacific and back. Idaho anadromous fish have been genetically conditioned through over 15,000 years of genetic selection to withstand the journey. No other strain can survive. Once **IDAHO** fish are gone, they are gone FOREVER.

Without wild and naturally spawning fish and their superior genetics Idaho's anadromous programs are in real trouble. Wild and natural spawning fish are the backbone of Idaho anadromous programs and are needed to:

1. Re-introduce superior genetics into inbred hatchery stocks.

2. Eliminate the possibility of a disease outbreak wiping out an entire run.

3. Utilize existing habitat for "free" production.

4. Provide a brood stock which can be used for rebuilding in the event of a disaster at the hatcheries, the dams, the Columbia River or in the ocean.

Presently the migration mortality of our steelhead and salmon is 10% at **EACH** of 8 dams during juvenile out-migration and 4% to 5% at **EACH** dam for returning adults. With ever increasing commercial gill net fishing pressure on the Columbia River the real question is: How much more can they take?

Idaho's wild fish habitat is only 33% seeded, 67% **HAS NO FISH.** Steelhead and salmon return to the exact stream of their origin to spawn. **HABITAT** determines whether or not they spawn successfully, whether or not their young survive and whether or not Idaho has a steelhead and salmon resource in the future.

Again, I emphasize, no other strain can make it back to Idaho but Idaho strains of steelhead and salmon.

ISSU is a "multi-use" organization. We believe Idaho's natural resources should be managed with ALL interests in mind. However, we urge the committee to understand what is at stake here and to structure the harvest of Idaho's renewable timber resource so as no to jeapardize nor do any further harm to Idaho anadromous resources which are irreplaceable.

Idaho Steelhead & Salmon Unlimited thanks you again for the opportunity to testify on behalf of Idaho's steelhead and salmon resource.

> Remember... We did not just inherit our steelhead and salmon resource from our ancestors - we are borrowing them from our children.

[1] Source: Idaho Department of Fish & Game
[2] Source: U.S. Forest Service Research Bulletin RM-9
[3] Source: Idaho Department of Fish & Game - Anadromous Fishery Management Plan, 1985 - 1990

STATEMENT OF CRAIG J. GEHRKE

Mr. Chairman, I am Craig Gehrke, forest planning specialist for The Wilderness Society. On behalf of The Society's 160,000 members I appreciate this opportunity to comment on the effects of the national forest planning process on the economy of Idaho.

The Wilderness Society is dedicated to the principle of balanced multiple use on the nation's forests and rangelands and to the protection of our country's wildlands. Since its beginning more than 50 years ago, The Society has maintained a particularly strong interest in the national forests. Among The Society's eight founders were two prominent foresters of the time, Aldo Leopold and Bob Marshall. We believe that forest management should enhance soil, watershed and wildlife habitat productivity, maintain biological diversity, and protect ecosystems, cultural resources, and scenic beauty.

The Society has taken a keen interest in the forest planning process. Nationwide, we have produced several detailed critiques of draft forest plans (two in Idaho, the Clearwater and Payette). We are continually monitoring the progress of the first national forest planning effort directed by the National Forest Management Act.

National Forest Plans and Idaho's Timber Economy

Concern has been expressed that, if implemented as proposed, the draft management plans for Idaho's ten national forests will result in sawmill closures and loss of timber industry jobs. Recently, Senator Steve Symms entered a statement into the June 26, 1986 Congressional Record (Appendix A) making two basic assertions. One was that the national forest share of timber production in Idaho has been "declining steadily" in recent years, and that the allowable sale quantities proposed in the draft forest plans will continue this trend. The Senator went on to say that state and private production has necessarily increased to fill the void created by federal policies restricting timber harvests on the national forests. Senator Symms predicted that if national forest timber offerings are not increased, unemployment in the timber industry will rise.

The Senator's second assertion was that lower timber sale offerings are primarily due to unnecessary environmental constraints.

There is no clear evidence that the national forests' share of Idaho's timber production has declined. The last year the national forests supplied more than half the timber logged in Idaho was in 1976, and before that, 1971. During the period 1969-1979 the Forest Service accounted for an average of just over 49 percent of the timber produced in

Idaho. From 1979 to 1984, the annual average was 42 percent. To state that the Forest Service has "historically" accounted for more than half the timber produced in Idaho, as Senator Symms has, is incorrect.

It's true that timber harvests from national forests have declined somewhat in recent years. But whether this is in response to poor economic conditions or if it indicates a long-term trend is unclear. It is also unclear as to whether or not state and private timber production has "increased to fill the void" created by lower national forest harvests. As shown in Figures 1 and 2, Forest Service and private producers have repeatedly traded places in terms of who made the largest contribution to Idaho's timber supply. State production has also varied from year to year, but overall has changed very little.

Sen. Symms also stated:

> The Forest Service share of Idaho timber has decreased for several reasons. Because of environmental constraints the volume of timber considered available from the national forests has been decreasing. At the same time the cost of harvesting the national forest timber offered for sale has significantly--and sometimes unnecessarily--increased... We cannot have unnecessary constraints on raw material available.

There is little evidence that "environmental constraints" are causing decreases in volumes sold from national forests. As shown in Figure 3, between 1979 and 1984, the volumes offered for sale on all national forests in Idaho, considered together, was substantially above the volume sold. On the average, more than 140 million board feet, or 16 percent of the timber offered for sale each year, went unsold. As shown in Figure 4, this situation was not confined to one or two forests. On all ten national forests, the average volume of timber offered each year exceeded the average volume sold.

As pointed out many times over the past few years, Idaho's national forests also have a substantial backlog of sold but uncut timber. As of July of this year, a backlog existed on every national forest (see Figure 5). Statewide, nearly 2.2 billion board feet of national forest timber had been sold but uncut. This represents more than a 3 year supply of timber based on 1979-1984 harvest levels.

Timber program losses on Idaho's national forests indicate that much of the timber harvested is of low market value and uneconomic. Figure 6 shows that except for the Challis National Forest, average annual net timber receipts on every national forest in Idaho were negative from 1979 to 1984. Net timber receipts on the Challis averaged only $5000 per year. Any expansion of Idaho's timber program guarantees continued dollar losses for taxpayers.

It has been widely claimed by the timber industry that Forest Service draft plan proposals to reduce the maximum annual timber sale level on Idaho's national forests from the current approximate 824 million board feet to approximately 805 million board feet will result in sawmill closures and timber industry unemployment. However, these proposed reductions in timber volumes offered for sale are essentially "paper" reductions, and unlikely to constrain the quantity of timber sold or harvested from Idaho's national forests. From 1979 to 1984, the average volume of timber sold on the national forests was 736 million board feet per year, and the volume actually cut only averaged 661 million board feet. Both figures are far less than the proposed total offering of 805 million board feet. It seems clear that demand for timber, not supply, is dictating how much timber is actually harvested from the national forests.

Increasing the volume of timber offered for sale will do nothing to improve this situation.

No one will argue that employment in the timber industry in Idaho is down, but there is no indication that "environmental constraints" are the reasons. Variations in timber demand have forced western forest product producers to become more competitive and efficient. Despite the fact that production in 1979 and 1984 was roughly the same, forest industry employment has fallen more than 20 percent over the same time period (see Figure 7). A logical conclusion is that Idaho's timber industry has become more efficient and fewer workers are needed to produce similar volumes. For example, the Potlatch mill in Lewiston, which is being rebuilt to modern standards, will need 40 percent fewer employees to operate even though capacity of the new mill will at least match that of the existing facility.

Future demand for high timber volumes is unlikely. The Northwest Power Planning Council, charged with predicting economic growth for each economic sector of the Pacific Northwest, forecasts dropping lumber and plywood production from 1985 to 1995, after which production will level off. The Council's draft forecasts, released July 15, 1985, state:

> The long-term outlook for the region's forest products industry is clouded by the roller coaster housing markets of the last few years. New housing accounts for 40 percent of the market for lumber and wood products....In recent years, the regional lumber industry has been threatened by a poor housing industry, a loss of market share to other competing regions and Canada, and competition to plywood from lower-cost substitutes such as waferboard and oriented strandboard.
>
> The housing industry in the U.S. has undergone a number of fundamental changes through the last recession. Real mortgage rates are projected to remain higher in the future than during the 1970s. The housing boom that led to speculation and high-return investment

> opportunities for households has fizzled as housing values failed to keep up with the general rate of inflation. The deregulation of the financial industry has opened additional avenues for investment by households. These factors raise the cost of housing. (Northwest Power Planning Council, 1985: Economic, Demographic, and Fuel Price Assumptions. P.14)
>
> The proposed draft lumber forecasts were reduced for the state of Idaho based on comments from Idaho state agencies and utilities. These changes were consistent with the comparison of recent Forest Service forecasts, which showed lower forecasts for lumber in Idaho. (Northwest Power Planning Council, 1985: P. 18)

FORECAST FOR PRODUCTION AND EMPLOYMENT
LUMBER AND WOOD PRODUCTS
Pacific Northwest
1980-2005

LUMBER PRODUCTION	AVERAGE ANNUAL RATE OF GROWTH
high	-0.4%
medium	-0.8%
low	-2.0%
PLYWOOD PRODUCTION	
high	0.6%
medium	-0.8%
low	-1.8%
EMPLOYMENT	
Lumber	
high	-1.9%
medium	-2.3%
low	-3.3%
Plywood	
high	-1.1%
medium	-2.3%
low	-3.1%

(Adapted from Northwest Power Planning Council, 1985. P.19)

In summary, increasing the amount of timber offered for sale from Idaho's national forest would do little to influence the amount of timber harvested or the employment it supports. Given that current timber sale offerings exceed what is actually sold and harvested, it's apparent that blaming environmental regulations for a depressed Idaho timber industry ignores the real problems of market demand, technological change, and competition from more efficient producers.

Cumulative Impacts of Forest Planning in Idaho

Recently the Assistant Secretary of Agriculture ordered a study of the cumulative effect of national forest plans on timber supplies in Idaho. Such a study may prove useful to the planning process, but the forest products industry is but one element of Idaho's economy. The Wilderness Society has urged the Forest Service to expand its study of cumulative effects of the forest plans into other important areas, most notably the effects on salmon and steelhead restoration efforts, Idaho's premier elk herds, and water quality, to name only a few. Studies performed by the Idaho Travel Council indicate that visitors come to Idaho for its "scenic beauty," and to "experience outdoor activities such as camping, fishing, and sightseeing." Obviously activities across Idaho's national forests will affect all of these experiences. The forest planning process should include a study of the cumulative effect of the forest plans on other important resources.

The Payette National Forest Draft Plan

The Payette National Forest draft plan and EIS stated that the forest can profitably harvest about 50 million board feet annually. Increases over this amount would result in a higher percentage of below-cost timber sales. However, the Payette draft plan proposes an annual harvest of 74 million board feet because that "...is the amount of timber required to support local communities" (DEIS, II-189).

The Society's critique of the Payette Forest draft plan included a section analyzing the Forest Service's attempt to manage for community stability. That section of the critique is included in this testimony as Appendix B.

Anyone driving through Riggins this summer during the limited chinook salmon fishing season on the Little Salmon River saw vehicles lining Highway 95 and fisherman packed along the Little Salmon from the mouth of Rapid River to its confluence with the main Salmon. This demonstrates the accuracy of a statement made in the Payette DEIS that demand for anadromous fisheries will always outstrip supply. Yet despite this finding, the Payette plan proposed keeping anadromous streams other than the South Fork of the Salmon River at only 25 percent of their potential to produce fish. The South Fork itself will be managed at only 65 percent of its fish-producing potential. There was no convincing argument presented that these numbers are enough to sustain the fishery population, as required by law, let alone re-establish the population to fishable levels. It is The Society's hope that the Forest Service, in the Payette final plan, chooses to actively join the on-going regional efforts to restore the anadromous fishery of the Pacific Northwest rather than attempt to only maintain a marginally viable remnant population.

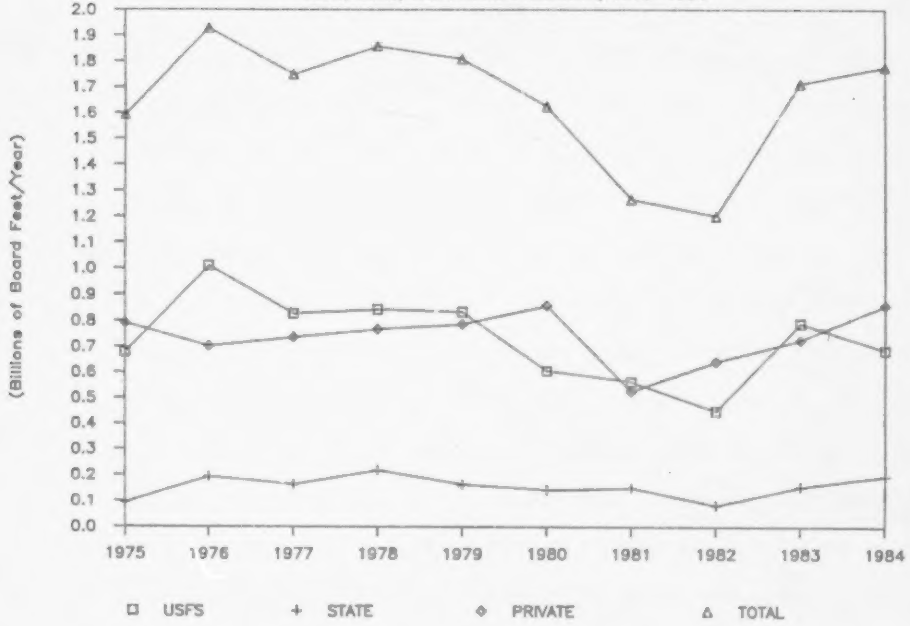


FIGURE 1: IDAHO TIMBER HARVESTS

USFS, State, and Private Production, 1975–1984

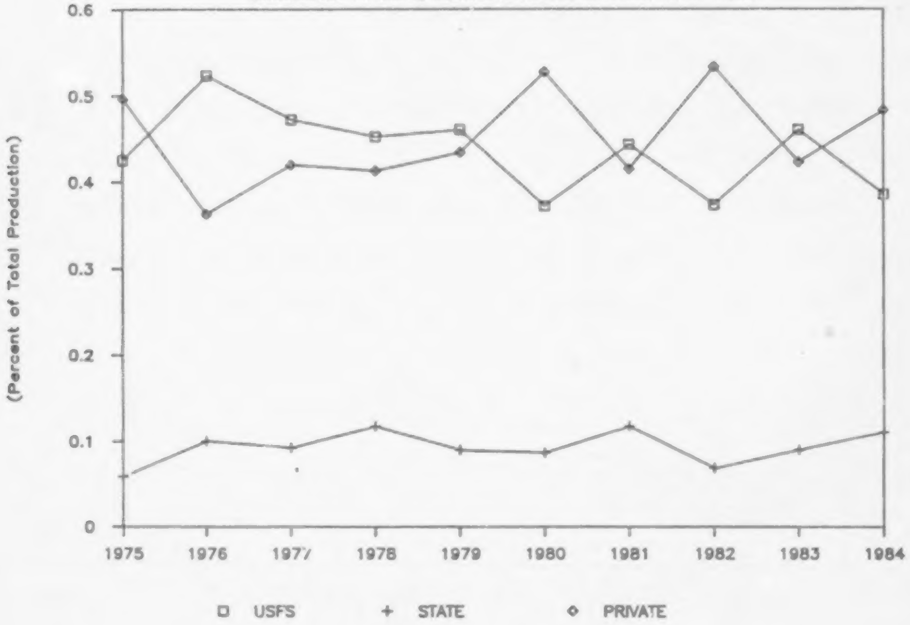
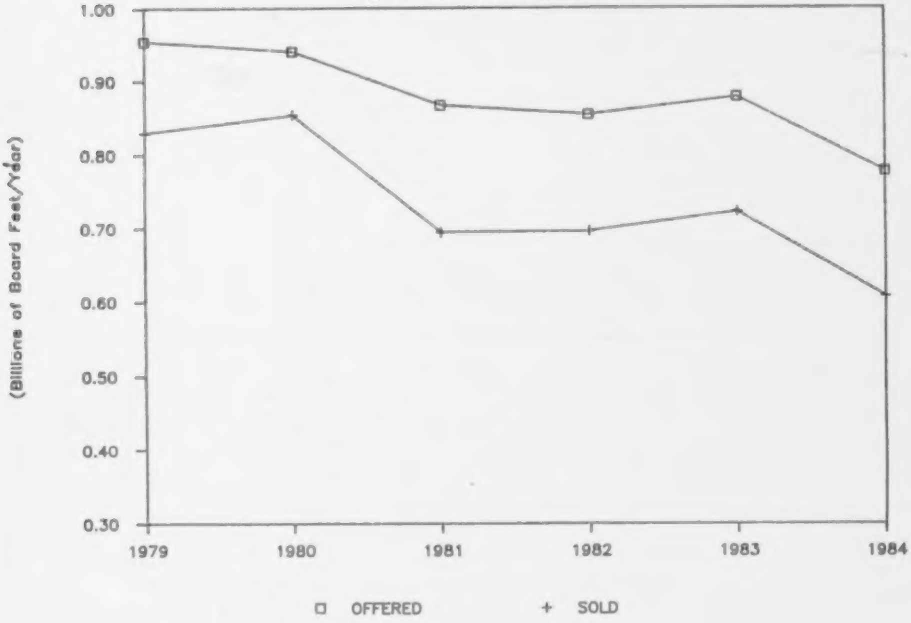


FIGURE 2: IDAHO TIMBER HARVEST SHARES

Contribution of USFS, State and Private to Total, 1975–1984

FIGURE 3: TIMBER OFFERED AND SOLD

Idaho National Forests, 1979–1984



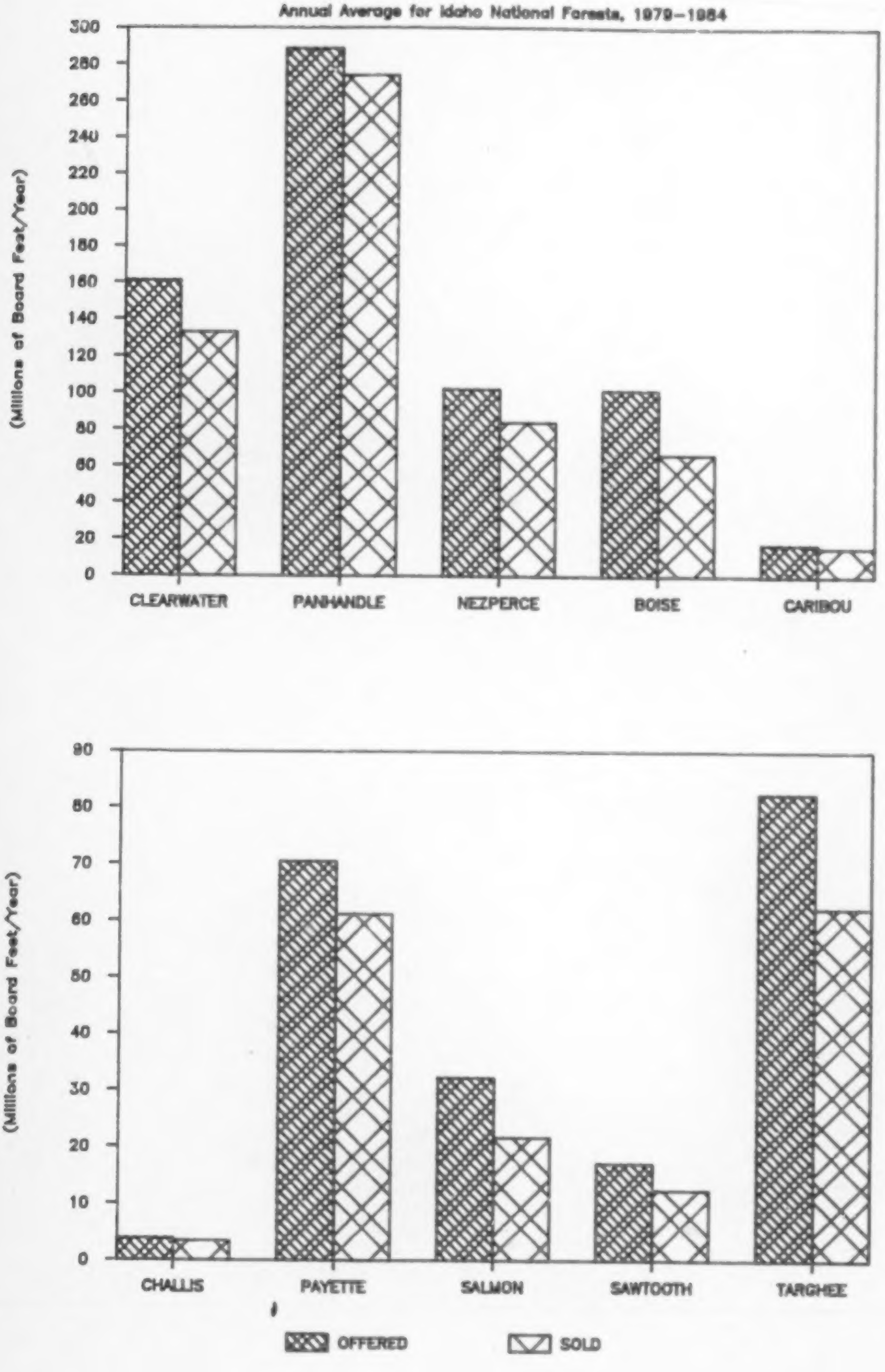


FIGURE 4: TIMBER OFFERED AND SOLD

Annual Average for Idaho National Forests, 1979–1984

FIGURE 5: BACKLOG OF SOLD BUT UNCUT TIMBER

Idaho National Forests, July 1986

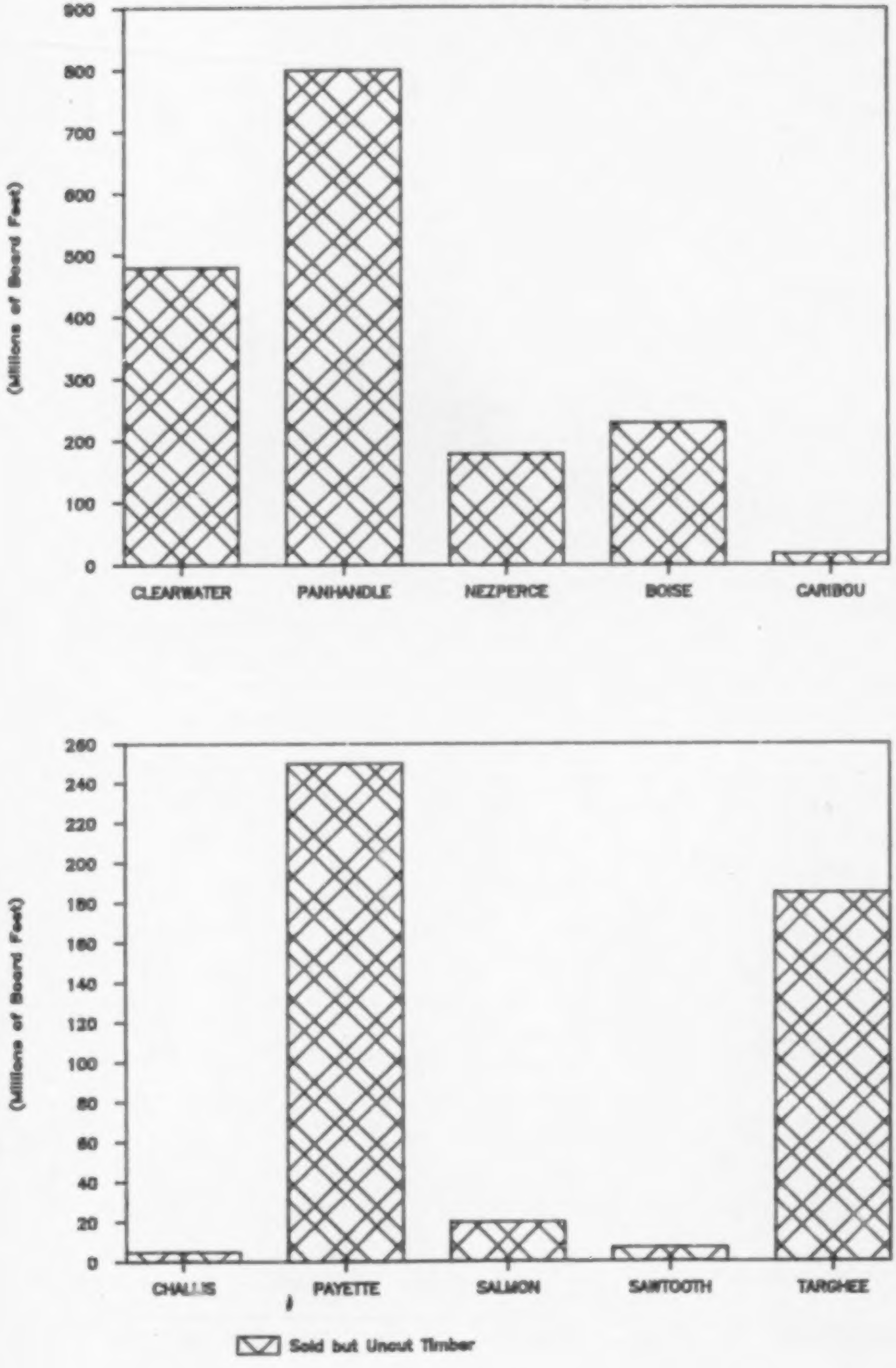


FIGURE 6: TIMBER RECEIPTS AND EXPENDITURES

Annual Average for Idaho National Forests, 1979–1984

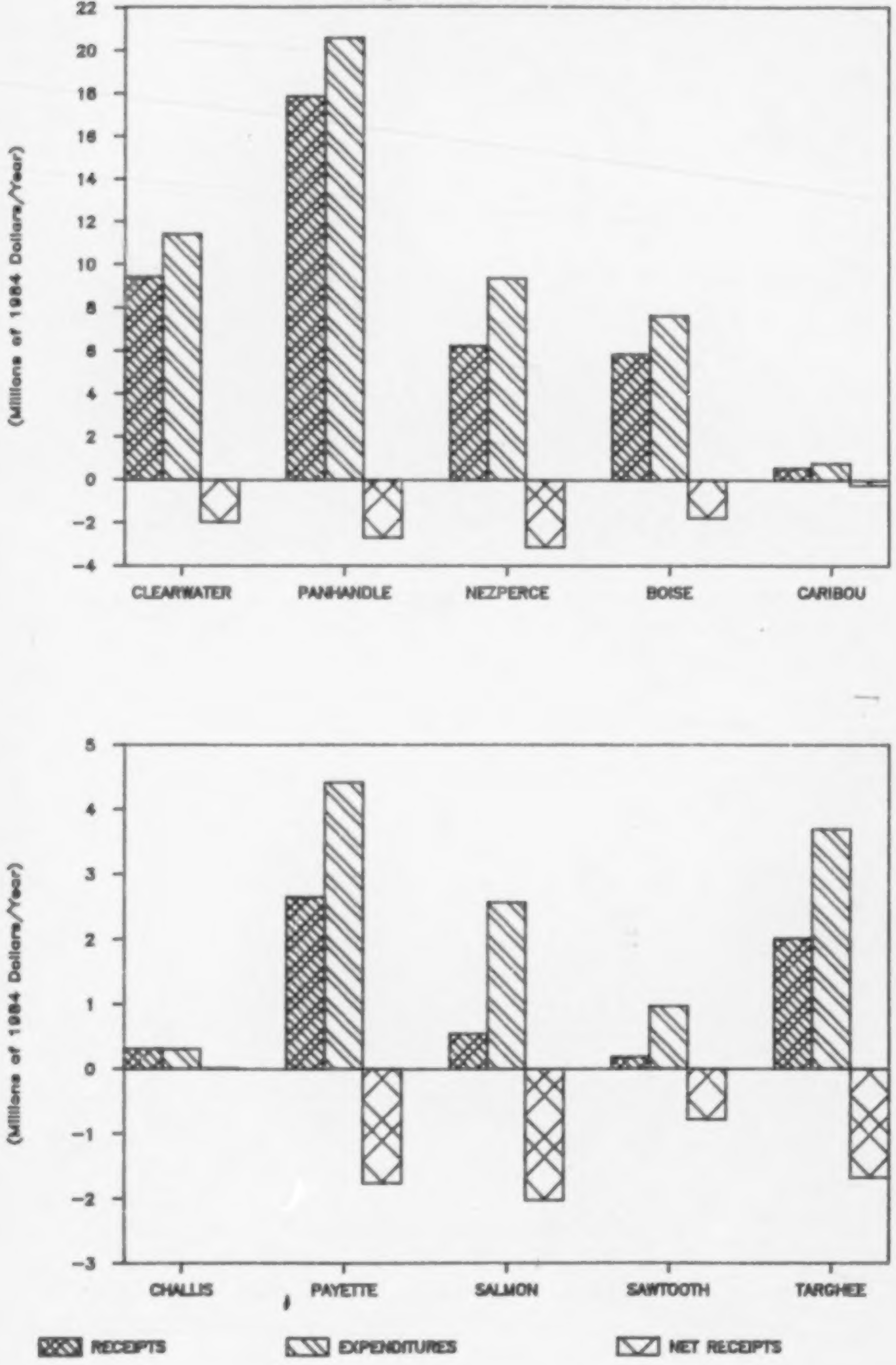
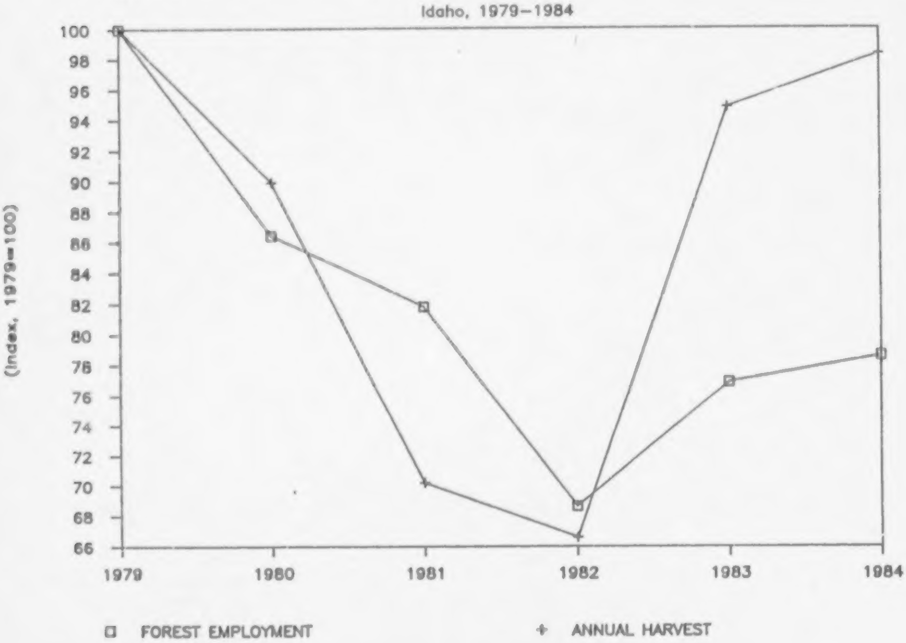


FIGURE 7: FOREST INDUSTRY EMPLOYMENT AND ANNUAL HARVESTS



SOURCES OF INFORMATION DISPLAYED IN ATTACHED FIGURES

FIGURES 1 AND 2: State of Idaho Department of Lands, Bureau of Private Forestry, Coeur d'Alene, Idaho, October 1985.

FIGURE 3, 4, AND 6: U.S. Forest Service, Office of Timber Management Washington, D.C., March 1985.

FIGURE 5: Personal communication with each national forest, Craig Gehrke, July 1986.

FIGURE 7: U.S. Department of Commerce, Bureau of Economic Analysis, Washington, D.C., State of Idaho Department of Lands, Bureau of Private Forestry, Coeur d'Alene, Idaho, October 1985, and Pizzadili, James, and Charles McKetta, Idaho's Wildland Resources: Availability and Use, Forest, Wildlife and Range Experiment Station, The University of Idaho, 1979.

NOTE ON FIGURE SIX

Timber receipts displayed in Figure 6 are the sum of cash and non-cash receipts for timber harvested on the national forests. Cash receipts include payments for timber and funds collected under the Knutson-Vanderberg Act for reforestation and timber stand improvement Non-cash receipts equal the value of timber given to purchasers in exchange for the construction of timber access roads. Such non-cash payments are known as "purchaser road credits".

Timber expenditures are defined as: a) Sale Preparation and Administration - includes expenditures for sale preparation and administration, stand examination, timber salvage operations, and timber sale support; b) Reforestation and Stand Improvement - include funds collected under the Knutson-Vanderberg Act for reforestation an timber stand improvement (data on appropriated funds used for this purpose are not available); c) Timber Road Construction - includes "purchaser road credits," road contribution, engineering support expenses and appropriated funds used for timber road construction.

APPENDIX A

NATIONAL FOREST PLANNING IN IDAHO

● Mr. SYMMS. Mr. President, on Wednesday of last week, Senator McClure, Congressman Craig and I met with Forest Service Chief Max Peterson and the two regional foresters directly responsible for Idaho National Forest. We requested the meeting because of the trend we see forest planning taking.

Forest Service planning, which eventually dictates the amount and type of use made of National Forest resources, is crucial to the State of Idaho and other Western States. Though focusing on Idaho, I'm convinced that the situation is similar in other Western States. A few basic facts illustrate my concerns. Sixty-eight percent of the land area of Idaho is Federal property. Of this, 20 million acres or 38 percent is national forest land. This Federal land supports about 68 percent of the commercial timber growing in Idaho. Timber supplies from the national forests supply 43 percent of the raw material for Idaho's forest products industry.

Historically, the national forests, as they should, have provided more than half of the timber harvested in Idaho. However, the share of Idaho's timber economy supported by the national forests has been declining steadily. It is a decline from the pre-1980 average of more 50 percent of the States total timber supply to less than 45 percent today. This may seem a minor difference, but it could add up to more than 700 lost jobs in Idaho. This decline is not the result of a shortage of timber. Indeed, national forest timber growth is more than double the annual removals from the forests, both from timber harvesting and natural mortality.

The Forest Service share of Idaho timber harvest has decreased for several reasons. Because of environmental constraints the volume of timber considered available from the national forests has been decreasing. At the same time the cost of harvesting the national forest timber offered for sale has significantly—and sometimes unnecessarily—increased. The basic trend has been accelerated, temporarily perhaps, by the depressed lumber market of the past few years. Much of this depression is the result of a tidal wave of Canadian lumber swamping our industry.

In Idaho, these Federal policies have resulted in increases in State and private timber production to fill the void caused by decreasing national forest sales. However, State and private timber holdings have reached their practical limits of productivity. If Forest Service timber offerings aren't increased, more cut-backs and mill closures are likely to occur in Idaho's forest products industry.

Mr. President, Idaho just can't stand this. Our forest products industry has been the State's second most important industry. In 1979 it provided jobs for more than 19,000 people at an average income of slightly more than $19,000. It should be noted that this was about 50 percent higher than the average income in the State at that time. In the first half of 1985, forest products employment was about 12,350 and the average annual wage for the industry was only $18,600. It's not difficult to trace tne industry's decline. I can list, without hesitation, 11 plants that have been closed or curtailed or where the employees have accepted significant wage reductions to keep the doors open.

It's a matter of pride to me and everyone in the industry that actual production was about the same in 1979 and 1985. Our people have just become vastly more productive. These people have gone to the wall to protect their jobs and their communities. Now, it appears that a recovery might be just ahead. But, lumbering in Idaho must survive now if it is to recover later. We cannot have unnecessary constraints on raw material availability. I just can't stand by and see them subjected to further abuse by unnecessary constraints on raw material availability.

The national forest plans are currently being reviewed at the direction of the Assistant Secretary of Agriculture, to determine the overall impact on dependent communities. This has never been done before and I commend the Department and the Forest Service. Still, it's strange that while all environmental issues—water quality, big game habitat et cetera—are carefully considered, the impact of Forest Service plans on peoples lives and their jobs are considered only as a nice-to-do courtesy.

I want to emphasize, most clearly, that I'm not urging unreasonable increases in national forest timber harvests in Idaho. One of the alternatives in the current plans would more than meet the industry's wood needs. This alternative would fit within applicable laws and regulations. It would simply shift the emphasis toward jobs and community stability. I support this alternative as being reasonable and responsible.

I'm concerned about the quality of our environment. Everyone is. However, I think having a job and being able to support a family with some security is one of the most basic environmental imperatives. For that reason I'll continue to work to insure that adequate supplies of national forest timber are made available to sustain Idaho jobs and communities.●

APPENDIX B

C. Timber Losses Are Not Justified by Benefits Claimed for Local Communities

The main justification given for uneconomic timber production in the Payette plan and DEIS is that the Forest Service must maintain stable employment in the local economy. The plan does not, however, explain how uneconomic timber production will contribute to stable employment or demonstrate that the benefits of achieving this goal exceed the costs of the proposed timber program.

This section concludes first that the law does not require the Forest Service to maintain a stable local economy, and, furthermore, that the benefits claimed for local employment do not justify the losses expected from Payette timber production. In fact, an expansion of below-cost timber sales on the forest is unlikely to result in greater local economic stability and may contribute to greater instability in timber dependent communities.

Contrary to the draft plan's suggestion that "concern for...impacts to local communities and community stability" has been "codified" in law (DEIS, Appendix B-117), there is no statutory basis for managing the national forests to maintain community stability. In fact, the only Forest Service statute that mentions community stability is the Sustained Yield Forest Management Act of 1944 (16 U.S.C. 583-583i). This law does not, however, pertain to Forest Service lands in general, but rather to a small number of specially created "sustained yield units" of private and national forest lands. None of the basic laws governing the national forest system, including the National Forest Management Act of 1976, the Multiple Use-Sustained Yield Act of 1960, and the Organic Act of 1897, direct the Forest Service to manage for community stability.

Despite the absence of statutory foundation, the Forest Service has traditionally pursued a policy of harvesting timber "to facilitate the stabilization of communities and of opportunities for employment" (36 C.F.R. 221.3(a)(3)). In the early and mid-1900s, community stability was closely associated with the concept of sustained yield forestry. The sustained yield and community stability policies were an alternative to the "cut and run" practices of private timber companies that repeatedly led to environmental devastation and "boom and bust" economies for local communities. Thus, community stability became a policy argument to protect both the environment and local economies from harmful over-cutting.

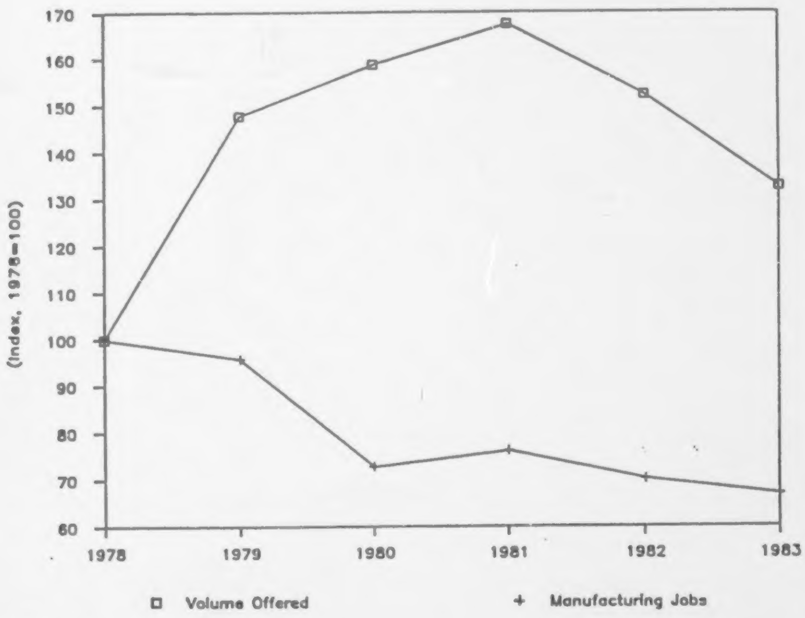
The Payette draft plan turns the traditional objective of community stability on its head. Instead of protecting the environment from over-cutting, the Forest Service is using the policy to justify cutting timber at the expense of important environmental resources, such as elk habitat and the anadromous fishery of the South Fork of the Salmon River (see Sections III and V in this critique). Moreover, as discussed below, the excessive timber harvest program proposed for the Payette National Forest could actually destabilize local economies.

A central assumption of community stability policy is that if forests can be managed to produce a perpetual supply of timber, the economic stability of local timber dependent communities can also be maintained indefinitely. This assumes, of course, that timber availability is the key to the level and variability of timber industry employment, tax revenues, and other economic variables that, in turn, influence community stability. However, as recent events in the domestic timber market attest -- including large backlogs of sold but uncut timber and a 25 percent drop in Idaho timber related employment since 1979 -- such "supply-side" reasoning is incomplete.

This can clearly be seen in the recent history of timber offered for sale on the Payette National Forest and corresponding changes in manufacturing employment in the communities surrounding forests. Figure 1, page 42, records the changes in both of these variables over the period 1978 to 1983. In the area surrounding the Payette, manufacturing employment is primarily composed of jobs in the forest products industry. Employment data presented in the figure are for the five counties within the Payette "zone of influence" where mills receive timber from the forest (see discussion beginning on page III-74 of the DEIS). Included are Adams, Boise, Gem, Valley, and Washington counties.

Figure 1 presents trends in employment and the amount of timber offered for sale since 1978. Jobs in manufacturing, for example, fell approximately four percent between 1978 and 1979. By 1980, the number of jobs dropped to just under 73 percent of the 1978 level. And, by 1983, employment had fallen to 67 percent of the 1978 level, a drop of 33 percent in just five years. The volume of timber offered for sale, on the other hand, rose nearly 70 percent between 1978 and 1981. Although the volume offered between 1981 and 1983 fell, the 1983 volume was still more than 30 percent above the volume offered in 1978.

FIGURE 1: MANUFACTURING EMPLOYMENT/TIMBER VOLUME OFFERED, PAYETTE NATIONAL FOREST, 1978-1983



SOURCES: Bureau of Economic Analysis, U.S. Department of Commerce, November 1985; U.S. Forest Service, Payette National Forest, November 1985.

Clearly, the annual availability of timber -- as measured by volume offered for sale by the Forest Service -- is not the only factor affecting employment in the communities surrounding the Payette. In fact, the primary determinants of the health of the timber industry and the stability of communities that depend on it have little to do with supply. Instead, forest industry employment is primarily affected by variations in the demand for wood and paper products and by the ability of the industry to adapt to technological changes in logging, wood processing, and transportation.

Both of these factors have strongly influenced timber employment in Idaho over the past several years. Competition from lower cost Canadian producers and the continuing shift of timber industry investments from western forests to the southeastern U.S. have also influenced employment in timber dependent communities.

In northern Idaho, for example, the Potlatch Corporation recently announced plans to curtail production at its Lewiston sawmill -- despite adequate supplies from the nearby Clearwater National Forest. This decision is expected to result in the loss of nearly 1,200 jobs. Citing depressed prices and competition from Canadian producers, the company also decided to delay plans to modernize its operations, foregoing the construction of a new $30 million facility.

In sum, employment in the Idaho timber industry is declining largely due to factors beyond the control of the Forest Service. Attempts to buoy supply by increasing uneconomic timber production cannot protect timber dependent communities from the more pervasive influence of market demand, technological change, and competition from more efficient producers. Where there is a need to stabilize or slow the decline in employment, government intervention should be directed at finding the most cost effective form of relocation and community adjustment rather than promoting timber production simply because of its past importance to an area's economy.

In the context of national policy, community stability is best viewed as a process of orderly change that allows resources to shift smoothly from less productive to more productive uses. Although the government may work to ease the transitions, the structure of particular industries and local communities will inevitably change. Recent shifts in the economic base of Valley County provide a case in point.

In the early 1970s, this county was heavily dependent on timber related employment. However, with the closing of the Boise Cascade mill in McCall in 1978, the economic base gradually shifted away from timber towards industries servicing recreation, tourism, and second home development. McCall, the county's largest city, is now one of Idaho's most important resort communities. While the Payette still provides a substantial quantity of timber to the county's remaining sawmills, greater diversity in the local economy has added stability. In fact, Valley is the only county in the Payette "zone of influence" where wage and salary employment has not fallen since 1978.

Clearly, every community cannot be a major outdoor recreation and resort center. However, neither can timber be expected to provide a stable economic base for all communities in the Payette "zone of influence." The government, and the Forest Service in particular, has a responsibility to distinguish between growth areas and areas with little or no potential for sustained growth (Schallau, 1974). A failure to make this distinction not only conflicts with achieving economic stability at the national level but may also conflict with the long term interests of the local community. This conflict is likely to be particularly acute where attempts are made to promote community welfare through subsidized timber production.

In fact, as explained in the recent Colorado appeals decision, increasing a community's dependence on timber produced at a loss may be inherently destabilizing:

> ... an explanation is needed as to why increasing the dependency of local community mill capacity and jobs which could result from an increase in sales of national forest timber with revenues exceeding costs will contribute to greater national or local welfare -- especially since increased dependency upon submarginal timber sales would seem to result in potentially greater community instability due to uncertainties over continuation of a relatively high level of federal funding to support a timber program with costs greater than revenues. (USDA Colorado Appeals Decision-9, emphasis added)

In many communities, however, the problem goes beyond uncertainties surrounding the continuation of federal timber subsidies. In areas such as Valley County, amenities and other resources that are directly threatened by logging provide the greatest opportunity for economic growth and stability. If by increasing subsidized timber production the Forest Service acts to diminish these resources, not only will the agency jeopardize the community's reliance on timber but it will also undermine a community's ability to shift to a more sustainable economic base (see Sections III and V in this critique for discussions of how logging and other resource values can be incompatible, particularly on marginal timberland).

The draft plan for the Payette forest provides no discussion of these potentially destabilizing effects. Neither is there any explanation as to how uneconomic timber production, at levels proposed in the plan, is expected to contribute to greater community stability. Instead, the Forest Service simply asserts that an annual harvest of 74 million board feet "...is the amount of timber required to support local communities" (DEIS, II-189). It is apparently assumed that if this level is made available, it will automatically be demanded by local mills. In fact, the available evidence strongly suggests that demand is insufficient to support this level of harvest. Over the past six years, the volume of timber actually harvested on the Payette has consistently fallen below the volume offered for sale. As shown in Table III, page 35, the average volume harvested between 1979 and 1984 was 50 million board feet per year, 33 percent below the volume proposed in the draft plan.

In sum, the Payette draft plan fails to demonstrate that uneconomic timber production will contribute to greater community stability, or that the benefits of achieving this goal exceed the costs of the proposed timber program. According to the recent Colorado appeals decision, "A particularly strong obligation is imposed on the Forest Service to explain the economic, social and environmental trade-offs which are likely to occur..." when the costs of a proposed timber program are expected to exceed its receipts (USDA Colorado Appeals Decision-6). The final plan for the Payette should accept this obligation by exploring the full range of trade-offs implied by an increase in below-cost timber sales. Particularly, the final plan should address the potentially destabilizing effects of these sales and the possibility that a continuation of high levels of uneconomic sales may not be in the long term interests of local communities.

STATEMENT OF RONALD D. MITCHELL

Mr. Chairman, I am Ron Mitchell, executive director of the Idaho Sportsmen's Coalition. As a statewide conservation organization, we have taken a special interest in the forest planning issue. How our national forests are managed determines to a large extent the quality of life we will experience in Idaho, both from economic and psychological-spiritual standpoints.

You have limited today's testimony to the economic impacts of the forest planning process, and I am submitting detailed written comments covering our viewpoint on that topic. But, let me make just a couple of general points right now.

First, the economic impact of forest planning encompasses fish, wildlife, and recreation resources as well as timber and mining. In fact, the recreation-tourism industry in Idaho is our third largest industry, larger than timber and mining combined, generating over a billion dollars annually, with 25,000 jobs and a payroll of one-hundred-seventy-eight million dollars, or 12% of Idaho's entire income. Maintaining the quality of hunting, fishing, and recreation on our national forests is essential to ensure continued growth of this industry.

Secondly, to ensure the continued existence of the timber industry in Idaho, it is vital that we maintain the truly economically-viable timber base on national forest lands. Over-cutting this base, and thereby failing to manage it on a sustained-yeild basis can only lead to the gradual economic atrophying of timber-dependent communities.

The current practice of the Forest Service's offering below-cost timber sales encourages over-cutting of the economically viable timber base. Below-cost sales inflate the actual size of the timber base beyond what is economically viable, thus causing over-cutting of the true timber base. This is a problem on all Idaho forests. Each year, Idaho's forests lose $16 million on taxpayer-subsidized below-cost sales, with over $96 million having been lost between 1979 and 1984.

While such artificially expanded harvest reaps temporary profits for the stockholders of the big timber companies, they work against the long-term interests of the rank-and-file mill workers. The workers and their community become dependent on subsidized production that can, and does, vary widely in volume, and longievity. When national financial perrogatives are exercised by Congress and the subsidy shrinks, the communities suffer. More importantly, because timber harvests have exceeded the actual capacity of the timber base, the forest upon which the community is dependent for long-term economic support is overcut, thus reducing the communities "timber savings account."

It is therefore absolutely vital that you, Mr. Chairman, and other members of Idaho's Congressional delegation impress upon the U.S. Forest Service in the Forest Planning Process the importance of not overcutting the truly economically viable timber base on national forest lands in Idaho. Such concern is well-stated in the U.S. Forest Service's ruling on several Colorado plans:

> . . . an explanation is needed as to why increasing the dependency of local community mill capacity and jobs which could result from an increase in sales of national forest timber with revenues exceeding costs will contribute to greater national or local welfare--*especially since increased dependency upon submarginal timber sales would seem to result in potentially greater community instability due to uncertainties over continuation of a relatively high level of federal funding* to support a timber program with costs greater than revenues.(USDA Colorado Appeals Decision -9, emphasis added).

The future of Idaho's economy depends on the balanced multiple-use of all the forests' resources. We in the Coalition hope you will work towards that objective as you influence the Forest Planning Process in the future. Thank you.

Senator McClure. Senator Symms.

Senator Symms. I just want to thank all of you for your statements, and I don't have any questions at the present time, Mr. Chairman.

Senator McClure. Congressman Craig.

Mr. Craig. Let me thank all of you for your testimony and the work that's obviously gone into it, the detail. And we'll examine that in close scrutiny.

Richard, you made a statement, and I did not pick it up in your testimony, that the average timber job in this region was subsidized by something like $6,000 a year.

Mr. Johnson. Yes, sir.

Mr. Craig. What page is that on?

Mr. Johnson. It is a fact that has recently come to light—or come to my attention right before I prepared this statement. It is according to region 4 economic analysis and it's just for the Payette National Forest.

Mr. Craig. Region 4?

Mr. Johnson. Yes.

Mr. Craig. That's a Forest Service study?

Mr. Johnson. Yes.

Mr. Craig. I see.

Mr. Johnson. And it's based on administration of a 74-million-board-foot cut on the Payette National Forest as proposed.

Mr. Craig. So the argument is that that whole cut is below cost and, therefore, is a direct subsidy by the taxpayers of each one of these timber employees? Is that the point of your argument?

Mr. Johnson. Yes.

Mr. Craig. I see.

Mr. Johnson. That is not part of the study that I was citing earlier, though.

Mr. Craig. All right. The reason I ask that—and, Dan, I want to get you involved in this discussion—is because I want to know how much we subsidized each one of those 30,000 steelhead that were caught in Idaho this past year. How many tax dollars per steelhead did we pay to get those steelhead back in Idaho? Do we know that?

Mr. Magers. No; I don't have those exact figures. But the majority of the 30,000 steelhead that were harvested were hatchery fish that come through payments on our electric bills.

Mr. Craig. I see. I am frustrated, to be very honest—with your testimonies and what I see as a very real contradiction. Now I would have to say that maybe hindsight would have told us—or at least would have told your fathers and mothers and my father and mother, that we ought not build all those dams on the Columbia and the Snake. That we ought to maybe maintain windmills and candles.

But we did destroy the fisheries of this Nation, especially of the Pacific Northwest, in large part because we blocked their access to their spawning ground. And now we have decided to recoup that. We are experiencing runs in Idaho like we haven't experienced in years that are in large part man-created and very successful. Your organization exists today is largely because of man's recreating it. I deal with the steelheaders and I respect them and their support of this relatively new or reoccurring industry in Idaho.

It is interesting to note that we were able to recreate it during a period of high logging activity. The development of the runs that we've experienced the last several years came during a time when we were seeing very high levels of activity relative to today's activities on the Clearwater and the Nez Perce. I guess I have a very hard time understanding your position. Haven't we already demonstrated by our ability to recreate these runs, even at a high cost? It is important to note that they are not high cost as a result of logging, but they are high cost as a result of the dams built to produce hydroelectricity.

Then I hear someone complain, we're subsidizing loggers in Idaho when we are subsidizing hunters and fisherman and everyone else who walks out on that land. We're not asking people who put a backpack on and go into the forest of this State to pay $5 a day for the privilege of doing so. So we are subsidizing them through trail cleaning and management and all of the kinds of things we do. And if some backpacker or recreationalist creates a fire back there through the misuse of a campfire, we spend hundreds of thousands of dollars to put it out. And that's subsidy.

So why don't we all conclude that everything we do on the public lands is in some form subsidized, because I think if we really do our homework we can argue that that is a fact. There is only one thing that isn't subsidized, and that's nonactivity of any kind. I am sorry, gentleman, if I get a little upset when I hear a $6,000 per person figure on timber, when we sublimely deny the fact that every steelhead caught in Idaho today is a subsidized fish. We can't do that. It's wrong to do it.

Now I am not going to argue against the economy of the steelhead industry and the salmon industry. It is emerging as a very valuable asset to our State. I support it, I have worked to assist it, and I'll continue to do so. But let's lay all the facts on the table and be terribly honest as we proceed, or we create false images that serve no one. That's my concern. And that's why we're talking economics today, and that's why the Senator asked that we talk economics. I think that the records ought to include the economics of the fish industry in our State. Not just what it creates in dollars, but what it costs to get it here, because it has cost hundreds of millions of dollars and it will continue to do so.

I totally agree with you, Dan. We ought not destroy any more habitat of fishery so that we would have to spend even more to recreate it. I think that's absolutely true. I thank you, gentlemen, for your statements. I think it's terribly important that we dot all the I's and cross all the T's. And then we're both being honest about it. Thank you very much.

Senator McClure. Gentlemen, thank you very much. There has been obviously and will be some difference of opinion in the public debate over a period of time. When we have differences, and we have had them, I have tried to keep those differences civil. I have never tried to characterize any one of you or your motives because I believe you have a right to your opinion and you have a right to your priorities. And they may differ from that of others in our society, and that's what public debate is all about.

I can't help but note that that hasn't always been the case on the part of some of the statements made by at least one person at that table. And I deplore that fact, but this is not the time and place to air those tactics. But it does make it more difficult to have civilized dialog when personalities enter that conflict.

One question that I think is essential to the base of what we're trying to do here is to determine what is the impact of resource management decisions on the total environment in which we live. That includes the jobs of people in Cascade. It includes the tax base of people in Adams County. It includes a number of factors which are important to every one of us.

If, in fact, there are losses in jobs—and I gather the impression that you don't believe that's true—but if you take, for an example, if you take as a fact that there would be a loss of jobs in the timber industry occasioned by the harvest levels that might come about as a result of the forest planning process, are you prepared now to say: Well, that's an appropriate result of the balancing of resource allocations? Mr. Johnson.

Mr. JOHNSON. I think to a certain extent that that is true, that it—we are not—you know, as I said in my statement, it is not our intention to attack the industry or the jobs that are a result of it. But it is my intention to act as an advocate for the conservation of our public lands.

Senator MCCLURE. And if that results in the loss of jobs, so be it?

Mr. JOHNSON. The extent—there are so many different variables, it depends on the individual situation. I can't say a blanket statement for the State that if timber jobs are lost that that's great.

Senator MCCLURE. Mr. Majors.

Mr. MITCHELL. Mr. Mitchell.

Senator MCCLURE. Yeah.

Mr. MITCHELL. I think Rick pretty well answered that. I'm trying to grasp——

Senator MCCLURE. Well, as I get your statement, you don't believe it's going to cause a loss of jobs.

Mr. MITCHELL. Well, no, I think—OK. Let me——

Senator MCCLURE. And so what I was trying to do is go beyond that and say: If it does cause a loss of jobs, as others are saying, you would say that's an appropriate result?

Mr. MITCHELL. I would say that you're correct. First of all, the data doesn't support that a supply of timber is the problem. That jobs will probably be lost because of a lack of demand.

Senator MCCLURE. Well, I want to get beyond that because——

Mr. MITCHELL. So it really has nothing to do with the supply of timber.

Senator MCCLURE [continuing]. Because others say it does. You say it doesn't, but others do.

Mr. MITCHELL. Correct.

Senator MCCLURE. I'm trying to get beyond the point of you saying no, that that isn't going to be the case. I'm asking you if you would agree that if as a matter of fact there are loss of jobs, that the balance in the forest plan is appropriate, even though it costs jobs?

Mr. MITCHELL. Well, I don't know what the—in that kind of scenario where you have a highly elevated timber cut going, you know, beyond the last 10-year average, I don't know what would be causing those jobs, whether it would be the forest—the loss of those jobs, whether it would be the structure of the forest plan constraining the expansion beyond what we have had in the last 10 years or whether it would simply be market factors.

Senator McCLURE. Well, that again is not my question. My question is: If you assume that those who say the forest plan will cause a loss of jobs, setting aside the fact that you don't agree with that, but just assume for a moment that that is correct, would you say the forest plans as now constituted are correct, or should there be a revision? If as a matter of fact the Forest Service is led to believe by the comments on their draft plans that it will cost jobs, should they revise their plan in order to preserve jobs if we can do that without unacceptable damage to other resources?

Mr. MITCHELL. I think that the Forest Service should, and in my association with them they have, consider the loss of jobs, not just timber jobs. They have balanced off the recreation economy with the timber jobs.

Senator McCLURE. And you believe that——

Mr. MITCHELL. If jobs are lost from either sector, timber, recreation, fisheries, et cetera, I think that's very unfortunate. And hopefully there is a capacity to insure that that doesn't happen. And by setting the allowable sale quantity at 74 million board feet, which is above the 10-year average of 69 million board feet for the allowable sale quantity, I think they're making a very good attempt to protect timber jobs.

Senator McCLURE. But if they should conclude that it takes a higher level of timber harvest to avoid the loss of jobs, you would support that?

Mr. MITCHELL. It would depend on where they cut and how they cut.

Senator McCLURE. Is any one of you at the—well, Craig, I should give you an opportunity to comment on that too.

Mr. GEHRKE. Well, I would just say—you know, when you say jobs, I guess you mean timber jobs?

Senator McCLURE. Yes.

Mr. GEHRKE. And well, again, I would have to look at the tradeoffs between recreation jobs. I'm not going to rank whose job is more important. And it could be that loss of jobs will occur because the substained yields calculated back in the 1960's or whatever, when we get out to those roadless lands to find out that those lands are not capable of supporting the historic harvest levels. And it could well be that we will be losing timber jobs.

And as far as saying that I would—I believe we're getting to would you support—could you restate your question that you had to Ron?

Senator McCLURE. That if as a matter of fact the forest plans that we're discussing that are in various stages of preparation, if the ultimate result of that forest plan should cause the loss of jobs in the timber industry, is that an acceptable result, or would you support on the other side a revision of the forest harvest level if that can be done without an unacceptable impact upon other resource levels?

Mr. CRAIG. If they will not impact the other resource levels, if they would not impact the other jobs, and if they're legal, then we would have little choice to support them because they would be implemented.

Senator McClure. Well, it isn't a question of if you have a choice. It's a question of would you fight it or accept it?

Mr. Gehrke. We would choose to accept it if it would not impact other resources as Mr. Mitchell mentioned.

Senator McClure. Mr. Mitchell.

Mr. Mitchell. Yeah, that's what I said at the end of my statement. It would depend on where it was cut, et cetera. But if that could be worked out, the overall goal of multiuse national forests is to maintain a balance and to manage the resources in perpetuity without permanent damage. Their mandate is to insure that that doesn't occur.

Senator McClure. Mr. Magers.

Mr. Magers. I really don't have a comment on that portion of it.

Senator McClure. If as a matter of fact it costs 2,000 jobs, as some have indicated, how much increase in other economic base would it take to create 2,000 jobs?

Mr. Gehrke. I don't have the figure to speculate.

Senator McClure. Has your organization done any analysis of that kind?

Mr. Gehrke. No; not to my knowledge, Mr. Chairman.

Mr. Mitchell. Mr. Chairman, how much of an increase in economic activity in another sector such as the recreation, the fishing, the tourism industry to succeed in balancing these two off would it require?

Senator McClure. Yeah.

Mr. Mitchell. OK. The latest study by the State department of tourism, which was based on computer models developed in Washington State, show that you develop more jobs in tourism than you do in timber for the same amount of, you know, monetary input, because timber jobs typically, you know, are higher paying than they are in recreation-tourism. For the same amount of investment, you actually generate more jobs. I don't remember the exact figure. Their prediction was that the jobs would grow between 2,000 and 4,000 per year in Idaho if we kept moving along at the relatively small growth, overall economic growth that we're seeing in the country.

Senator McClure. And those typically are——

Mr. Mitchell. Lower pay.

Senator McClure [continuing]. Paid at much lower pay unfortunately.

Mr. Mitchell. Except for some very good waitresses who sometimes make $10 to $12 an hour in tips.

Senator McClure. I'll not touch that.

Mr. Mitchell. Legitimate tips is what I understand.

Senator McClure. Oh, I understand legitimate tips. I was just thinking of the problem that we've sometimes had as to whether that's taxable income.

Mr. Mitchell. Oh.

Senator McClure. You have indicated that you believe we ought to follow existing law and that we've mandated to. Have you looked at the relationship between allowable sale quantity and Resources Planning Act [RPA] goals?

Mr. **Gehrke**. No; I haven't seen the latest RPA—even though there was testimony of a couple weeks ago on RPA programs, I have not seen the RPA Program.

Senator **McClure**. How about any of the others?

Mr. **Mitchell**. I can't recall the RPA goals offhand.

Senator **McClure**. They're also a matter of law. That's the reason I mentioned that. If we're going to comply with the law, we ought to be looking at RPA's as well.

Mr. **Johnson**. That hasn't really gotten to the hinterland, so to speak.

Senator **McClure**. Thank you, gentlemen, very much. Oh, Congressman Craig.

Mr. **Craig**. Idaho has been getting in part a double benefit the last 10 years. Although during that 10-year time period we've had a downturn in the timber industry, we've seen fundamental changes in the forest products industry. While we have remained relatively static in output, and have had some job loss, we have seen a growing increase in tourism and recreation.

It appears that we have been getting the best of both worlds. It appears we have the capability to sustain the current forest products industry in this State, while at the same time continue to see the growth in tourism and recreation.

Sometimes, it appears to some people that you can't have both; that if you anticipate a growth in recreation and tourism, you must necessarily expect a decline in forest harvest. What is your reaction?

Mr. **Johnson**. I would say that it's the position of the Idaho Conservation League that without question you can have both.

Mr. **Gehrke**. I don't believe that I can say we can have both as I think of the Clearwater Forest in general. Now I'm not too sure we could, say, maintain the high revenue of Kelly Creek if the fishery was degraded somewhat by sedimentation. I'm not sure if as proposed on the Payette that we would see a continuous growth in the anadromous fishery if the production was held at the levels established by the draft Payette plan. I guess pessimistically I would lean toward more the either/or situation as opposed to both.

Mr. **Mitchell**. Congressman.

Mr. **Craig**. Sure.

Mr. **Mitchell**. On the—you know, we have 10 forests in Idaho. Let me briefly address the Payette Forest which is the one that I love and know the best, although that's probably not real well.

If we look at the cut, at what's been cut over the last 5 years, it's run between 48 and 49 million board feet. The 10-year cut has been about 62 million board feet. With those levels of harvest, from what I can recall at this instant from our extensive analysis of the Payette Forest plan, I think there is a very good, you know, opportunity there with the possibility that we would be able to have both.

But if we continue to cut I think above 62 million and moving up into 74 and actually reaching what the allowable sale quantity is, I think it's very clear from the draft plan that we have to trade fish against on the west side, the South Fork—or on the east side of the South Fork against elk on the west side in order to maintain that kind of a cut. I think it's fairly clear from the draft plan. I'm speaking of the 62 million board foot level. I think there would be a conflict there. It would be disingenuous to say that there wouldn't be a conflict.

Mr. **Craig**. Dan, did you wish to comment on my question?

Mr. **Magers**. If I may, I'd like to comment on something you said just a moment ago.

Mr. **Craig**. Sure.

Mr. **Magers**. When you said that every fish is subsidized, and I agreed with you that they are subsidized through electric bills, the only way to get off of this subsidy is natural production, OK? The only way to do it is to utilize the spawning habitat and the rearing habitat that we have in our rivers and streams. That's the only way to do it. And the only way we can accomplish natural production is if the habitat is suitable for those fish to spawn and rear. And so basically what we're saying is the same thing. And the whole basis of what we were here to say is that that is what we want as well. We want natural production.

And in the planning process, particularly in our wild streams and our wild areas, we've only got three of them left, we would ask that the committee be very, very careful as to how they do this. But we still have to release wild fish. We fish with barbless hooks. We release wild steelhead in the State of Idaho to try to perpetuate the species for more reasons than just the altruistic, beautiful, pristine, wonderful argument that goes around from time to time. We've got to have those wild fish for genetics.

We have rebuilt our hatchery steelhead runs. And if you talk to the people at the hatcheries and the Idaho Department of Fish and Game, the genetics of our hatchery stocks are going down rapidly due to the inbreeding situation; and the majority of the increase we've seen in our runs are due to one hatchery, which is the Pahsimeroi hatchery on the Salmon River. You cannot stand in Lewiston, ID, and convince those people their runs have been rebuilt because they're not doing well.

Mr. **Craig**. Dan, are you saying that you believe that there will come a time, if we at least maintain our current fisheries habitat, when there would not have to be any subsidy? When we would not need our hatcheries? That it would all return to a natural situation?

Mr. **Magers**. Well, that would be ideal, but I'm not naive enough to believe that we could. Due to the pressure on the resource, due to the number of people that want to fish, I don't think we could ever be a 100-percent natural State.

Mr. **Craig**. Well, we may have to limit the number who fish.

Mr. **Magers**. That may very well be. The point is that the hatchery production could be used for other species which we can't fish for: summer chinook, fall chinook, sockeye, all this. But hatchery production is needed, OK, but we're depending too heavily upon it. And with natural production, we can convert these resources into some other avenues, and eventually lower our dependency on the electric power subsidy.

Mr. **Craig**. Thank you. Thank you all very much.

Senator **McClure**. I just want one comment, Dan, because yes, we do indeed subsidize through our power bills, both the Idaho power because of the hatchery and river and the fish and game mitigation that's coming through the Bonneville plant. Both of those encompass additional power bills. But there are a lot of other subsidies as well, and I think you would agree with that. And I didn't think you meant to imply that it was only through the electric bills.

Mr. MAGERS. Not 100 percent, but in large part.

Senator MCCLURE. Well, the Dworshak hatchery is an example. As sad as their problem is with the fungus that does periodically breaks out at the hatchery, that's been a very important asset in total runs if not in natural strains. The same thing is true at other hatcheries. Those in no part are subsidized by the electric power bills. They are direct appropriations.

And the same thing is true with respect to some of the other activities on the Snake, Columbia. The Snake mitigation plan is a direct appropriated account, and has been for several years, and one which I fully support because I have the same concern that you have that we try to compensate in part for some bad practices of fighting in the past and also try to mitigate for those activities which we believe are necessary or desirable on balance, even when they have an adverse effect on fisheries. And I think that we make those choices. I don't think the most radical fisherman that I know—and I know some pretty radical ones—really would propose that we go up and down the Columbia River dynamiting all the dams. So they know that there is an economic, political tradeoff involved. And because there is, we have to do our best to mitigate for those impacts. I agree with you fully and totally in that regard.

Gentlemen, thank you very much for your testimony. I appreciate it and look forward to reading the additional materials which will be supplied in portions of the materials that have been attached and placed in the record. Other portions may be placed in the committee file available to all the members. Thank you very much.

Mr. GEHRKE. Thank you.

STATEMENTS OF:

TED EPLEY, OUTFITTER AND GUIDE, EPLEY'S IDAHO OUTFITTER ADVENTURES

RON HARRINGTON, LUMBER GRADER, BOISE CASCADE CORP.

EUGENE J. NOVOTNY, SUPERINTENDENT, CASCADE PUBLIC SCHOOLS

CLARK GARDNER, SUPERINTENDENT, GARDEN VALLEY SCHOOLS

Senator MCCLURE. Next panel, we have Ted Epley, Ron Harrington. Clark Gardner and Novotny, I think, are the two from panel one who were not here—not able to be here ealier, and will join this panel. Mr. McKinney, chairman of the Shoshone-Paiute Tribe, I understand, is not here. I will hope that he will at least file a statement on behalf of the Shoshone-Paiute Tribe.

Mr. Epley.

STATEMENT OF TED EPLEY

Mr. EPLEY. Senator McClure, committee members, ladies and gentlemen, my name is Ted Epley. I reside in McCall, ID. I have been a resident licensed outfitter and guide for the past 24 years. My business is directly involved in using Idaho's natural resources.

I have use permits with the BLM and the U.S. Forest Service. I feel that the forest plans fail to address all the economic incomes derived from the forest.

National forests have the following uses in my estimation: one, timber; two, mining; three, grazing; four, recreation; five, outfitting and guiding.

In most forest plans, outfitting and guiding have been left out. Yet recent Forest Service rules and regulations instituted a new outfitter management plan that increased user fees some 1,200 percent to be phased in, in a 3-year period. That public that commands an outfitter guide service must pay the price to use our national forests, while the nonoutfitted public and other recreation users have a free ride. Note all of us pay Federal and State taxes to support and manage national forests and wilderness.

Because we, the outfitter, have a use permit, we are being restricted to certain limits of use on national forest land. Please note that outfitters must propose 30 days prior to any use of the forest the following criteria before they get a use permit:

No. 1, how many guests we will have for the current season, and we haven't even booked them yet.

No. 2, how many days the guests will stay on the forest.

No. 3, the exact location we are taking these guests.

And then in addition, we must pay $100 for reserved campsites. And this is specifically for horse outfitters only. River outfitters may have an assigned camp on Forest Service land, but they pay no campsite fees and ususally have a sanitation facility. Boat outfitters also have very elaborate facilities to use at put-in and take-out sites on the river. In contrast, horse outfitters very seldom have any facilities at trailheads, to handle their clients, that are provided by the Forest Service.

Other fees are use day fees that equal 3 percent of gross amount charged the guest, with deductions for off forest land expenses such as food, lodging, and travel. Both horse and river outfitters do pay the same in this area. A meeting with Payette National Forest planners and rangers in 1986, a Payette National Forest planner stated that outfitter use on the Payette National Forest have maxed out. I totally disagree with them. The Forest Service, because of their new outfitter rules and regulations, have restricted our use of the natural resources, and thus reduce potential economic income for the State of Idaho. Most Forest Service plans do not properly address all users of the forest in drafting forest plans, nor do they value the services outfitters provide for the public that request our service so they can see and use the forest resources.

An example, commercial air charter operators use the national forest and wilderness areas airstrips and pay no landing fees or any other fees that I know of. Yet they haul as many people as they get the opportunity to into these areas without any control from the U.S. Forest Service whatsoever. The people they take are users of our natural resources, yet the numbers and use is unrestricted, but results in severe management problems if the U.S. Forest Service and the State of Idaho, and a commercial use is going on without the Forest Service issuing any use permit or collecting any use permit fees. I ask you, is the Forest Service doing their job of addressing and administering all commercial use on the forest?

A retired Forest Service man who helped write the Wilderness Act of 1964 stated recently, "Outfitters provide a very needed service to the public." This is a quote. Another quote, "Outfitters are very important to wilderness." Another quote, "Outfitters are the best teachers of uses in the wilderness," end of quote. Yet the Forest Service failed to recognize us as an important industry in Idaho that utilizes the natural resources in national forests, as we provide jobs, support local businesses, pay State and Federal taxes, and help the Forest Service in maintaining trails, and provide the ways and means for a part of the public to use the national forest and stimulate Idaho's economy some $40 million annually.

Another recent quote from a Forest Service volunteer who receives a subsistence pay plus mileage, and this is a quote, "One who works for the Federal Government must not do much work, must he?" end of quote. I ask that all forest plans properly address all industries who use the forest, state all the income that the forest receives, and not regulate industries out of the forest.

Outfitting is a renewable resource to the forest and does not damage the environment. Outfitters and guides have been in the forest for over 200 years, and our historic use is not recognized as an industry.

One of my attachments to my statement dates back to August 1, 1984, from Salmon, ID, Wilderness Planning Team, Salmon National Forest. It comments on the River of No Return Wilderness plan. "We have received your comments on the draft management plan for the Frank Church-River of No Return Wilderness. They will be given full consideration as we decide what changes, if any, should be incorporated in the final plan." Thank you.

Senator McClure. Thank you very much, Mr. Epley.

Mr. Harrington.

STATEMENT OF RON HARRINGTON

Mr. Harrington. Mr. Chairman, Senator Symms, and Representative Craig, my name is Ron Harrington. I'm a lumber grader for Boise Cascade Corp. in Emmett, ID. I've worked for Boise Cascade for 31 years and have been in Emmett for 45 years. As a member of local unit 2816, I am glad to discuss with you—with this committee my views on national forest timber sales and believe my comments are typical of many forest industry workers.

This industry and Boise Cascade's mills have gone through a lot of change just to keep in business. As workers we learned to make more lumber with less people. We have endured layoffs and we live with the uncertainty over how long the mill will be here and how long our jobs exist. In the past year we have seen the reduction of two sawmill shifts in our region due to inadequate long-term timber supplies. These shift reductions follow on the heels of complete sawmill closures at Barber and McCall since 1978. The past 6 years have been difficult and stressful for me, my coworkers and our families.

But with all the changes we've seen and endured, this much is certain, our mill converts round logs into square boards. Our ability to continue producing lumber is dependent upon an adequate supply of logs from the Payette and Boise National Forests for our mills in Emmett, Cascade, Horseshoe Bend, and Council. In fact, the wood products industry provides the only significant year-round employment in the four communities I have just mentioned.

As John Bender and other company executives have talked at length about profitability, supply and demand and the complicated forest planning process, I hope you have listened well to all they have to say. But listen also to the people who are paid to produce logs and lumber and not to understand international economics or forest plans.

There seems to be a belief among environmentalists that timber industry workers would trade all we have in Idaho for a paycheck. That's just not true. We value our jobs, and almost all of us hunt, fish, and camp with our friends and families. We're not just armchair environmentalists, and we know that our livelihoods and our recreation pursuits can go hand in hand.

Senator McClure, there is nothing good about unemployment. Living from day to day, with little insurance that our jobs will be here 1 year or 5 years from now is nearly just as bad. The fact is, we want to live here, work here, raise our families here and look forward to a future here. Without adequate timber harvests, we know that's not possible.

I hope you and your fellow Senators and Congressmen will work to assure that the Payette and Boise National Forests provide the sales needed to assure our place in Idaho. We make products here we're proud of, and we enjoy our way of life in Emmett and the other communities dependent upon the timber industry. We have a right to our lifestyle and we feel that Idaho's national forests must be managed to help maintain it.

Thank you for the opportunity to state our views.

Senator McClure. Thank you very much.

Gene Novotny.

STATEMENT OF GENE NOVOTNY

Mr. Novotny. Senator McClure, Senator Symms, and Congressman Craig, I apologize for missing our first appointment this morning. But due to circumstances in our school district, I couldn't make it here.

Senator McClure. I was told in advance that you might find it difficult to be here at the opening, and I said you hoped to make it before we close. I'm glad you have.

Mr. Novotny. The Federal forest funds play a very important role in our programs at Cascade School District. These moneys have primarily been used for building maintenance, bus purchases, and purchases of capital outlay items.

In the early 1970's, our board decided that they wanted to build a new school and they started setting aside Federal forest funds that came into the school district. Their foresight developed and provided an extra $600,000 needed to complete the facilities at Cascade, which was built in 1979. The money was combined with the bond issues of $2 million. And without the Federal forest funds money, we wouldn't have been able to complete our facility because we had reached our maximum bonding capacity.

The smaller amounts of money that we are presently receiving have helped purchase buses, maintain our facilities and purchase capital outlay items that couldn't be funded in the general fund. There have been a couple of years that we have used the money in the general fund in purchasing oil to heat our buildings. This was the direction the board took when they were unable to pass—an override failed when we put it to the public.

The Federal forest funds are a vital part of our budget. Had these funds not been available to us, we couldn't have proceeded with the purchases and needed maintenance of our building.

If these funds would become nonexistent, our only alternative would be to go to the school patrons for money for these projects. Since we already have to go to the general—to them for the general fund appropriations, the possibility of passing a plant facility or bond issue becomes almost impossible, because the only place the taxpayer can vent his or her frustrations are at the school district elections.

You'll find on the back the amount of moneys received, the forest fund receipts, and the interest collected from these receipts, and the expenditures that we have utilized these funds from 1975 through 1986. And also a chart of the moneys, forest fund moneys received in our school district.

Senator McClure. Thank you very much. Next we'll hear from Mr. Gardner.

STATEMENT OF CLARK GARDNER

Mr. Gardner. Thank you, Senator McClure, Senator Symms, Congressman Craig. It's my pleasure to be here with you this morning. I thank you for the opportunity to present some testimony. I apologize for being late, too. We had school starting this morning with children arriving, and so it made it that I came down a little later than I had actually planned.

Senator McClure. Well, I'm glad you could make it.

Mr. Gardner. I'm glad to be here. My remarks will be brief. As you can see, I've given you an outline form of the things I want to cover. I'll give you a little bit of statistical information about the Garden Valley School District.

We have a student population of between 170 and 180 students, which comprises the grades of kindergarten through the 12th grade. We also maintain and operate a one-room multigrade self-contained school at Lowman, which averages about 10 students per year. And they are from the grades of kindergarten through the sixth grade. That school is located 23 milies up the South Fork of the Payette River, and about half of that or more is a dirt road, which is a canyon road in many areas. From the road to the bottom of the canyon is better than 1,500 feet. We operate a schoolbus on that road every day of school throughout the year. And we haven't really missed very many days. Those kids get to be pretty good rock rollers.

But this gives you a little bit of an impression of the area. I'm sure that you're all aware of Garden Valley right now because we are nationally in the news. There is a pretty good size fire going up there. And as of this morning, it was still going.

Our school district is comprised of more than 80 percent of Federal lands. The economy of our area is primarily logging and some ranching. There is a growing segment of the recreation community that is discovering the Garden Valley area. They have the national white water races there on the South Fork of the Payette.

We are directly affected by the timber harvest; through our local economy, because of the number of people we have there who are employed in timber, and also as a result of Federal timber sales. They are a source of revenue which we use to operate our schools. They provide for us the basis for our custodial and maintenance programs, and are an integral part of what we do there.

I have listed from 1977 to 1986 the amounts of money we have received from the sources derived from the sale of timber. I will not go over those in their entirety with you. I'd like to talk about 1981-82. We received $41,193.78. Not too long after we received that we were notified that we had been overpaid in the amount of $23,337.23, which left us then $17,337.23.

Now I can assure you that in trying to build a budget, I do look at those figures. You can see the fluctuation and the problems that we have to encounter in trying to determine exactly where we're going to be and what's going to be available for us.

In a meeting we had with the Forest Service representative from the Boise office with our board because my board requested that meeting, that person who came told us that the error was a Forest Service error, and that indeed it had carried back at least 3 years—maybe that accounts for why we were receiving more funds there—and that it would probably be the payback—not only the initial $23,000-plus that we had to return would not cover all of their mistake. And you can see what happened the next year, we got less than $8,000. So undoubtedly some of that carried over.

The other concern we have is with the timber salvage which will undoubtedly result from this fire. Our concern is that they don't use the salvage from this timber to fill the quota timber cut in our area because traditionally this kind of sale has gone for very cheap prices.

School districts comprised mainly of Federal, nontax-producing land must be considered in planning and utilizing the harvest and sale of timber from Federal land within the boundaries of the school districts. Thank you.

PREPARED STATEMENTS

Senator McClure. Thank you very much. We will insert all the prepared statements in the record at this pint.

[The statements follow:]

STATEMENT OF TED EPLEY

My name is Ted Epley and I reside in McCall, Idaho.

I have been a resident licensed Outfitter and Guide for the past 24 years. My business is directly involved in using Idaho's natural resources. I have use permits with the BLM and the U.S. Forest Service. I feel that the forest plans fail to address all the economic incomes derived from the forest.

National Forests have the following uses:

1-Timber 2-Mining 3-Grazing 4-Recreation 5-Outfitting and Guiding

In most forest plans outfitting and guiding have been left out, yet recent forest service rules and regulations instituted a new outfitter management plan that increased user fees some 1200 percent to be phased in, in a three year period. That public that demands an outfitter guide service must pay the price to use our national forests while the non-outfitted public and other recreation users have a free ride. (Note) All of us pay Federal and State taxes to support and manage national forests and wilderness.

Because we the outfitter have a use permit we are being restricted to certain limits of use on national forest lands. Please note that outfitters must propose 30 days prior to any use of the forest the following criteria: before they get a use permit,

1-How many guests we will have for the current season-(and we haven't even booked them yet).

2-How many days the guests will stay on the forest?

3-The exact location we are taking these guests.

And then we must pay $100 per reserved campsite (for horse outfitters only) (river outfitters may have an assigned camp on Forest Service land but they pay no campsite fee, and usually have a sanitation facility.) Boat outfitters also have very elaborate facilities to use at put in and take out sites on the river. In contrast horse outfitters very seldom have any facilities at trailheads to handle their clients that are provided by the Forest Service.

Other fees are use day fees that equal 3 percent of gross amount charged the guest with deductions for off forest land expenses such as food, lodging, and travel.

Both horse and river outfitters do pay the same in this area. A meeting with Payette National Forest Planners and Rangers in 1986, a PNF Planner stated that outfitter use on the PNF had maxed out. I totally disagree with them. The Forest Service, because of their new outfitter rules and regulations, have restricted our use of the natural resources and thus reduced potential economic income for the State of Idaho. (Outfitting would result in zero growth). Most Forest Service plans do not properly address all users of the forest in drafting forest plans nor do they value the service's outfitters provide for the public that requests our services so they can see and use the forest resources.

Commercial Aircharter Operators use the national Forests, and Wilderness areas airstrips and pay no landing fees or any other fees that I now of. Yet they haul as many people as they get the opportunity to into these areas without any control from the U.S. Forest Service what-so-ever. The people they take are users of our natural resources, yet the numbers and use is unrestricted, but results in severe management problems for the U.S. Forest Service and the State of Idaho, and a commercial use is going on without the Forest Service issueing any use permit or collecting any use permit fees. I ask you, is the Forest Service doing their job of addressing and administering all commercial use on the forest?

A retired Forest Service man who helped write the wilderness act of 1964 stated recently, "OUTFITTERS PROVIDE A VERY NEEDED SERVICE TO THE PUBLIC" "OUTFITTERS ARE VERY IMPORTANT TO WILDERNESS, OUTFITTERS ARE THE REAL EXPERTS IN WILDERNESS, OUTFITTERS ARE THE BEST TEACHERS OF USES IN THE WILDERNESS." Yet the Forest Service fail to recognize us as an important industry in Idaho that utilizes the natural resources in National Forests, as we provide jobs, support local business'es, pay state and federal taxes, and help the Forest Service in maintaining trails, provide the ways and means for a part of the public to use the National Forests and stimulate Idaho's economy some $40 million annually.

Another recent quote from a Forest Service volunteer who receives a subsitance pay plus mileage, "ONE WHO WORKS FOR THE FEDERAL GOVERNMENT MUST NOT DO TO MUCH WORK MUST HE." I ask that all Forest Plans properly address all industries who use the forests, state all the income that the forest receives and not regulate industries out of the forest.

Outfitting is a renewable resource to the forest and does not damage the environment. Outfitters and Guides have been in the forests for over 200 years, and our historic use is not recognized as an industry.

ATTACHMENT A

We have received your comments on the draft management plan for the Frank Church--River of No Return Wilderness. They will be given full consideration as we decide what changes, if any, should be incorporated in the final plan. Thank you for reviewing and responding to the proposal.

Wilderness Planning Team

ATTACHMENT B

This statement was made at a Forest Service meeting I attended this fall, 11/25/85 at Boise, Idaho.

Quote by BILL WORF an ENVIRONMENTAL CONSULTANT who is a RETIRED FOREST SERVICE EMPLOYEE WHO HELPED WRITE THE WILDERNESS ACT OF 1964 REPRESENTING THE USFS IN WASHINGTON, D.C.

"OUTFITTERS PROVIDE A VERY NEEDED SERVICE TO THE PUBLIC"

"OUTFITTERS ARE VERY IMPORTANT TO WILDERNESS, OUTFITTERS ARE THE REAL EXPERTS IN WILDERNESS, OUTFITTERS ARE THE BEST TEACHERS OF USES IN THE WILDERNESSES."" End of quote.

Statement of Ron Harrington

I am Ron Harrington, and I am a lumber grader for Boise Cascade Corporation, Emmett, Idaho. I have worked for Boise Cascade for 31 years, and been in Emmett for 45 years. I am a member of local union 2816. I am glad to discuss with this committee my views on national forest timber sales. I believe my comments are typical of many forest industry workers.

This industry and Boise Cascade's mills have gone through a lot of changes just to keep in business. As workers, we've learned to make more lumber with less people. We've endured layoffs and we've lived with the uncertainty over how long the mill will be here and how long our jobs exist. In the past year we have seen the reduction of two sawmill shifts in our region due to inadequate long-term timber supplies. These shift reductions follow on the heels of complete sawmill closures at Barber and McCall since 1978. The past six years have been difficult and stressful for me, my co workers and our families.

But with all the changes we've seen and endured, this much is certain--our mill converts round logs into square boards. Our ability to continue that, in the long run, is dependent upon an adequate supply of logs. For our mills in Emmett, Cascade, Horseshoe Bend and Council, we need a steady, adequate flow of logs from the Payette and Boise National Forests. In fact the wood products industry provides the only significant year-round employment in the four communities I have just mentioned.

I'm sure John Bender and the other company executives will talk at length about profitability, supply, demand and the complicated forest planning process. That's fine, and I urge you to listen well to all they have to say. But listen also to the people who are paid to produce logs and lumber and not to understand international economics or forest plans.

There seems to be a belief among environmentalists that timber industry workers would trade all we have in Idaho for a paycheck. That's just not true. We value our jobs, but almost all of us hunt, fish and camp with our friends and families. We're not just armchair environmentalists, and we know that our livelihoods and our recreational pursuits can go hand-in-hand.

Senator McClure, there is nothing good about unemployment. Living from day to day, with little assurance that our jobs will be here a year or five years from now is nearly just as bad. The fact is, we want to live here, work here, raise our families here and have them look forward to a future here. Without adequate timber harvests we know that's not possible.

I hope you and your fellow Senators and Congressmen will work to assure that the Payette and Boise National Forests provide the sales needed to assure our place in Idaho. We make products we're proud of and we enjoy our way of life in Emmett and the other communities dependent upon the timber industry. We have a right to our lifestyle, and feel that Idaho's national forests must be managed to help maintain it.

Thanks for the opportunity to state our views.

STATEMENT OF EUGENE J. NOVOTNY

Federal Forest Funds play a very important role in the programs at Cascade School District. These monies have primarily been used for building, maintenance, bus purchases, and the purchase of capital outlay items.

In the early seventies our board decided that they wanted to build a new school, so they started setting aside the Federal Funds that came into the District. Their foresight helped provide the extra $600,000 needed to complete the facilities at Cascade. This money was combined with 2 bond issues that totaled 2 million dollars. Without the Federal Forest money we wouldn't have been able to complete our facility because we had reached our maximum bonding capacity.

The smaller amounts of money that we are presently receiving have helped purchase buses, maintain our facilities, and purchase capital outlay items that couldn't be funded in the general fund. There have been a couple of years where we have had to use the money to purchase oil for our heating system. This was the direction our Board took when they were unable to pass an override.

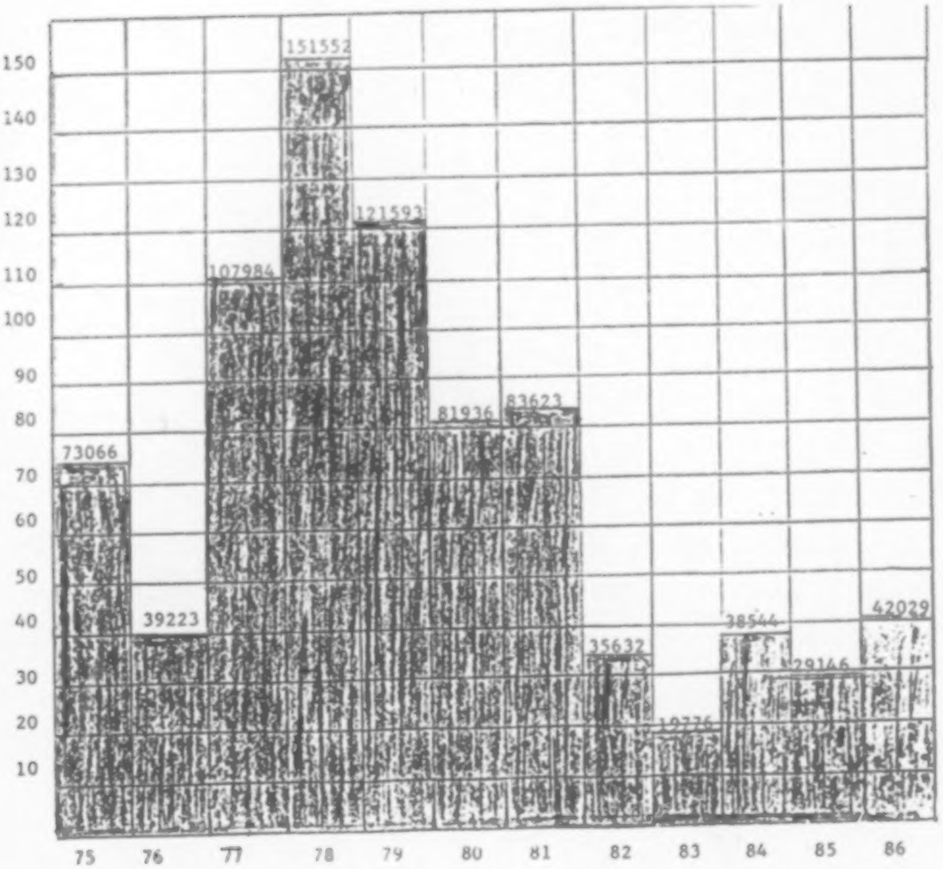
The Federal Forest Funds are a vital part of our budget. Had these funds not been available to us we couldn't have proceeded with bus purchases and needed maintenance on our buildings.

If these funds would become non-existent our only alternative would be to go to our school patrons for the money for these projects. Since we already have to go to them for general fund appropriations the ppossibility of passing a plant facility levy or bond issue becomes almost impossible, because the only place the taxpayer can vent his/her frustrations are at the School District elections.

You will see listed below the amount of money received and the interest. It also shows how the Federal Forest Funds have been used since FY 75.

FY 75	Forest Fund Receipts	73,066
	Roof	5944
	Hamill	1209
	Walkway	44000

FY 76	Forest Fund Receipts	39,223	
	Remodeling	10600	
	Capital Outlay	9069	
FY 77	Forest Funds Receipts	107,984	Int. 8,861
	Feasibility Study	4000	
	Site Evaluation	2182	
	Capital Outlay	3127	
FY 78	Forest Fund Receipts	151,552	Int. 18,214
	Land Acquisition	6,000	
FY 79	Forest Fund Receipts	121,593	Int. 30,335
	New High School	125,249	
	Capital Outlay	7,763	
	New Bus	14,744	
FY 80	Forest Fund Receipts	81,936	Int. 18,342
	New Elementary School	131,502	
	New High School	336,534	
	Capital Outlay	1,635	
FY 81	Forest Fund Receipts	83,623	Int. 6,378
	Operation Plant	35,704	
	New High School	18,137	
	Capital Outlay	8,269	
FY 82	Forest Fund Receipts	35,632	Int. 6,352
	Operation Plant	35,482	
	Construction Cost	13,294	
	Capital Outlay	6,568	
	New Bus	26,588	
FY 83	Forest Fund Receipts	19,776	Int. 1,849
	Construction Cost	4,264	
	Athletic Complex	10,000	
	Capital Outlay	2,505	
FY 84	Forest Fund Receipts	38,544	Int. 1,422
	Capital Outlay	1,012	
	New Bus	41,095	
FY 85	Forest Fund Receipts	29,146	Int. 2,345
	Boiler Repair	8,881	
	Capital Outlay	8,757	
FY 86	Federal Fund Receipts	42,029	Int. 2,591
	Maintenance	15,657	
	Roof	4,285	
	Building Heat	22,627	
	Capital Outlay	2,675	



Left Column - Dollars in Thousands
Bottom Dates - Fiscal Years

STATEMENT OF CLARK GARDNER

Student Population 170 - 180 students, K-12

One room - multi grade school -- 10 students, K-6 at Lowman. Located 23 miles up river, largely dirt canyon road, from Garden Valley.

Comprised of 80% + federal land.

Economy of the area is primarily logging with some ranching and growing recreation.

We are directly effected by timber harvest.

1. Local economy
2. Federal timber sales -- source of operational income for the school

Federal Forest funds used to provide the custodial and maintenance program for the Garden Valley Schools. Integral part of school operation.

Forest Fund Receipt History

1977-78	$80,771.91	
1978-79	$67,238.19	
1979-80	$68,252.19	
1980-81	$77,072.75	
1981-82	$41,193.78	
(see enclosure	$23,337.23	Overpaid-returned to source
	$17,337.23	actual receipt
1982-83	$ 7,772.62	
1983-84	$13,078.39	
1984-85	$14,805.04	
1985-86	$20,991.25	

Difficulty with budget process in dealing with the fluctuation of forest funds.

Current fire -- timber salvage from remains may fill timber harvest quot~~e~~a for our area and will be sold for minimal price.

School Districts comprised mainly of federal, non-tax producing land, must be considered in planning and utilizing the harvest and sale of timber from federal land within the boundaries of the school district.

ATTACHMENT A

December 16, 1981

MEMORANDUM

TO: Clark Gardner, Superintendent, Garden Valley #71

FROM: Mark M. Fox, Chief, Bureau of Finance

SUBJECT: Overpayment of Forest Reserve Funds

Notice has been received by the State Treasurer from the federal government about the balance due on the 1981-82 forest apportionment. A copy of the State Treasurer's letter to the County Treasurer in your county is enclosed.

Unfortunately, your school district received an overpayment with the first distribution of funds during October of this year. We have enclosed the calculation of the overpayment to your district and as per the directions from the State Treasurer you are requested to expeditiously refund the amount of $23,856.55 to the County Treasurer for his/her transfer to the state.

Should you have any questions concerning this distribution, please contact us.

ATTACHMENT B

December 8, 1981

Hon. Carlyne Reed
Boise County Treasurer
Courthouse
Idaho City, Idaho 83631

Dear Carlyne,

On October 15, 1981, my office mailed a state warrant to you in the amount of $418,891.42 as Boise County's proportion of the interim payment we received from the United States government for the first installment of the 1981 National Forest Income Apportionment. We have now received a second check from the federal government as the balance due on the 1981 National Forest Apportionment.

Unfortunately, the information the United States Forest Service gave us to use for the first apportionment was in error. Using the corrected figures supplied with the second check, we have determined that Boise County received $242,592.60 more in our first installment payment than the amount due the county for the entire fiscal year.

Therefore, as provided by Sec. 57-1307, Idaho Code (a copy of which is enclosed), I hereby make demand that Boise County expeditiously refund $242,592.60 to the State Treasurer. These funds will be redistributed to other Idaho counties to which they are due under the final United States Department of Agriculture's Forest Service apportionment, a copy of which is also enclosed.

Yours very truly,

MARJORIE RUTH MOON
State Treasurer

Senator McClure. Senator Symms.

Senator Symms. Thank you, Mr. Chairman, and thank all of you for your statements here this morning.

Ted, I just had one question I wanted to ask you. In my opening statement, which I actually made yesterday for the same subject where we had our hearing in Coeur d'Alene, one of the things I said was: "In contrast, the Forest Service high commodity output alternatives would, with estimated production from other ownership, provide enough wood for the industry's needs. Without this production, an estimated 2,000 jobs could be lost. Unfortunately, the Forest Service projections are based on harvesting about 26 percent of the needed wood from the roadless areas." And I think that what I went on to say was, "I don't know whether anyone really expects that this is going to happen under the current set of mitigation circumstances we seem to be in."

But do you as an outfitter, or the outfitters and guides, do you believe, have a conflict with the higher timber production?

Mr. Epley. In the area where I reside, which I can only speak for, we have suggested to the Payette some areas that they could harvest timber in, specifically being on some of the lower South Fork drainages. That, from what I understand, would really not hurt the river that much. And I think it could be increased and utilized down there.

Senator Symms. And that wouldn't conflict with your business.

Mr. Epley. No; it wouldn't. Actually, one of the burns last summer, the Savage Creek burn, was in the middle of the area that I outfit in. And there was a salvage sale proposed, the Forest Service had a real good plan, and the environmentalists shot it down. We appealed it—I appealed it and I lost. To date now, everybody is going to lose because our road in there, which we only have one, is going to suffer damage for many, many years. And it's going to affect all the public users as well as my own operation, cost me more to operate, and cost the public in Idaho that uses that area.

Senator Symms. In other words, you would be better off from an outfitter's point of view if it was salvaged?

Mr. Epley. That's correct.

Senator Symms. So it does fit then that—in other words, the jobs and the outfitters don't necessarily have a conflict?

Mr. Epley. No; we don't.

Senator Symms. OK. Well, I'll just make one other statement, Mr. Chairman. I note that we have another hearing starting in Grangeville in a couple hours, so we have to get moving.

But Ron, you made, I thought, an excellent statement about the personal trauma that it has affected with this and the personal environment that gets damaged with the jobs. And where you appealed to Senator McClure to work to assure the Payette and Boise Forests provide the sales needed, I think that's very significant. And it's also significant that we pay heed to the people who are paid to produce the logs and lumber, and notwithstanding all the other international implications, but to our good citizens who raise their families here and like the way of life. And I can assure you that's why the chairman, I think, has been so willing to hold these hearings so we can get this input.

And I believe, Mr. Chairman, you deserve a great deal of commendation for the caliber of testimony that we have received both in Coeur d'Alene and here in Emmett. And I expect that we'll get that kind in Grangeville this afternoon, because I think it strengthens our hand to make the case for a commonsense supply of timber that will keep these jobs. And I can't see how it's going to help either our State, our education system, our environment, or anything else to put ourselves in a program-planned cycle of reducing the number of mills, say, that are going to be in this part of Idaho. I mean, when you look at it and see we're going to have to close three or four mills, I wonder when the workers look up and down the line they think: I wonder which one of us will be left. In my judgment, that's a program we just can't accept. I don't accept it, and you've got my support to try to see that we get more timber.

Mr. HARRINGTON. Senator and chairman, can I make one more statement that's not in my testimony?

Senator MCCLURE. Yes.

Mr. HARRINGTON. I've listened to a lot of testimony here today and I haven't heard anybody say anything about the Canadian importers and the fact that last winter there was a program put on TV by some supposed-to-be experts saying that Canada was overcutting their western slopes to a pretty bad degree. Also the South wasn't replacing their timber as fast as they should.

What I want to ask you three politicians, and I appreciate your—I know all three of you are trying to solve the Canadian importers, which would really help us, you know, if you could get that solved, but what I want to ask you is: If this is true about the South and Canada, the major flaw I see in this Payette National Forest plan is the fact they're not planning for the future. Where are they going to get this lumber in, say, 8 years from now? Thank you.

Senator SYMMS. Good question. I guess we need to send the people with the lawsuits north of the border.

Senator MCCLURE. Just a comment as I pass the mike to Congressmen Craig. In that particular regard, I think there are two failures that I see. One is a failure to plan for the future, and the other is to recognize what has happened in the immediate past. There isn't any secret about it. We have been overcutting on the areas where we are permitted to road and cut, although the total allowable cut is calculated on the entire forest. Unless you can enter the roadless areas, you'll see a precipitous drop in timber harvest.

The second is the lack of planning for the future. I think if you'll look at that, that in the past plus the fact that restraints on operation—we have been in a hiatus for 20 years in forest planning, that restraint plus the fact the economics that drove decisions toward private land and the willingness of the State to try to compensate for the hiatus in Federal courts, planning has led to the greatest amount of cutting on private, on State and nonforest lands, non-Forest Service lands. I don't think that's been adequately reflected in the actual timber harvest or needs over the last few years and, therefore, isn't even cranked into the base for discussion.

So I agree with you totally that we also have to look to the Canadian import question. They are overcut. I don't think there's any question that they're overcutting sustained yield, but they're creaming the market now. It isn't going to last forever. If we're going to plan adequately for the future, we ought to be looking at that fact too.

Congressman Craig.

Mr. CRAIG. Thank you very much, Mr. Chairman. For the sake of time, I won't become involved in any questions. I think you gentleman have given excellent testimony. The effect on the small, rural school system in Idaho, whether it's in Garden Valley or Cascade or McCall, is clearly portrayed by the figures you show demonstrating their potential decline if these forest plans as drafted are enacted. The decline in revenues and the obvious inability for you to pick up those revenues lost is clear.

To the rest of you, thank you very much. Your points are well made. I do have one question, and that is: Does the Forest Service not equate your industry on the recreational side as organized recreations versus nonorganized?

Mr. EPLEY. To my knowledge, the Forest Service just includes it as recreation.

Mr. CRAIG. Just lumps it in.

Mr. EPLEY. Right.

Mr. CRAIG. Because there is a clear difference.

Mr. EPLEY. You bet there is.

Mr. CRAIG. You're an industry with a profit motive charging for services rendered.

Mr. EPLEY. That's correct, and they're trying to—not trying, but controlling us very severely.

Mr. CRAIG. Oh, yes, by the regulations they're providing, absolutely.

Well, thank you all very much.

Senator MCCLURE. I have just one further comment. I will make a suggestion to you. All of you at that table have given us excellent testimony. I would suggest that you try something that perhaps you have tried, but I'm unaware of. The Statesman newspaper is a major contributor to public understanding of the facts that underlie the arguments over basic resource allocations. I have noted, and I'm sure you have noted too, that their pages seem to be readily open for those who contribute opinions on this subject. I would suggest you don't write a letter to the editor, but seek to write a guest opinion. Not as individuals, but as representatives of a group of people who are very important.

Your statement, Mr. Harrington, is a basis of a marvelous guest opinion that I think maybe the Statesman might wish to carry in the interest of fairness and complete discussion. I think the same thing is true of the outfitters and guides, although you've gotten perhaps a little bit more publicity for your point of view.

I would suggest that the people who are representing school districts have a very common view of this statewide. You certainly represent thousands of people across the State and of an important economic interest. And I would think a guest opinion written on behalf of school administrators would find an acceptance and publication in the pages of the Statesman newspaper. I would suggest that you explore that avenue and see if indeed they wouldn't carry your views so that the public might understand what your concerns are as well.

Thank you very much for your testimony.

STATEMENTS OF:

VITO "SONNY" LaSALLE, FOREST SUPERVISOR, PAYETTE NATIONAL FOREST, U.S. FOREST SERVICE, DEPARTMENT OF AGRICULTURE

DUANE BUTLER, DISTRICT RANGER, IDAHO CITY RANGER DISTRICT, BOISE NATIONAL FOREST, U.S. FOREST SERVICE, DEPARTMENT OF AGRICULTURE

ACCOMPANIED BY:

JOHN SKINNER, FOREST PLANNER, PAYETTE NATIONAL FOREST, U.S. FOREST SERVICE, DEPARTMENT OF AGRICULTURE

CHUCK NELSON, FOREST PLANNER, U.S. FOREST SERVICE, DEPARTMENT OF AGRICULTURE

MR. HORMAECHEA

Senator McCLURE. Now last but not least are the people we have been taking about all day. Sonny LaSalle, supervisor, Payette National Forest; John Skinner, forest planner, Payette National Forest; Duane Butler, Idaho City district ranger; Chuck Nelson, forest planner. I think you also have some other support ready to answer questions, if necessary. Gentlemen, you may proceed. Mr. LaSalle.

STATEMENT OF VITO LA SALLE

Mr. LASALLE. Thank you. Mr. Chairman, Senator Symms, Congressman Craig, I would like to take the 10-minute period. Mr. Skinner and Mr. Hormaechea will serve as support.

Senator McCLURE. Very good.

Mr. LASALLE. I'm Sonny LaSalle, forest supervisor of the Payette National Forest. I appreciate the opportunity to appear before the subcommittee to present an overview of the status and content of the land management plan for the Payette National Forest.

The Payette National Forest contains about 2.3 million acres in central Idaho. About one-third of those acres lie within the Frank Church-River of No Return Wilderness. Of the remaining acres, about 62 percent are presently undeveloped. Much of the forest is underlain by highly erodible soils of the Idaho batholith, although the western and southeastern are composed of the much more stable basalt soils.

The forest provides habitats for almost 400 different species for wildlife and fish. The Payette is noted nationally for its quality big game hunting, as well as its anadromous fish habitat which provides spawning and rearing beds for chinook salmon and steelhead trout. Timber is also an important resource in this area, and one-third of the forest is considered tentatively suitable commercial land. Other significant resources include watershed, range, and minerals.

The Payette National Forest released its draft plan in September 1985. In order to interface with the ongoing timber supply study, we now project the final documents will not be available until next spring.

One of the dominant issues raised by many of our publics at the outset of our forest planning process was the effects of forest management policies on the economy and well-being of local communities. We examined 13 communities varying in population from 200 to 4,800, which are heavily reliant on the Payette National Forest resource outputs. Seven of the 13 communities have over 20 percent of their employment linked to our resource sectors of timber, livestock grazing, and recreation.

The 25 percent of national forest receipts paid by the Federal Government in lieu of taxes provide significant support to local governments and schools. Over the past 10 years, these payments have amounted to about $9.1 million. About 95 percent is derived from timber receipts. Our forest plan projects the potential for an increase to about $12 million over the next 10-year period.

In our draft proposal, the recreation sector would be favorably affected. We are recommending approximately 195,000 acres of new wilderness. Their proximity to McCall and Cascade should nicely complement the outstanding recreation complex already centered in these areas. The same is true for the 460,000 acres of semi-primitive recreation opportunities the forest will manage for their high recreation value. Here the users will be both motorized recreationists such as trail bikers and snowmobilers, as well as backpackers and horse users.

One major achievement anticipated in the plan is the return of the quality anadromous fishery in the South Fork of the Salmon River. For the final forest plan we are currently identifying ways to improve those fisheries even more than we anticipated in the draft. As the South Fork returns to the required level of habitat, and returning adult chinook salmon attract an influx of fishermen, there will be a significant economic gain for local communities. However, the majority of the benefits of the anadromous fishery occur far downriver from our local communities when you consider all users including sport, commercial, and Indian fishermen.

Our plan also recognizes the high recreation value of enhancing our big game populations. We predict a continued increase in the number of elk and deer using the Payette for both summer and winter range. We'll be able to achieve this increase through a careful selection of when, where, and where not to harvest timber, and an aggressive program of access management. Once an area is harvested for timber, it will still provide an adequate level of hiding cover for the animals and a quality hunt for the hunter. All of the communities will benefit from this widespread use of the forest. We have striven to offer a variety of recreation opportunities without emphasizing one user group over another.

The draft also sought a modest increase in grazing potential on the forest. Several communities, like Midvale and Cambridge, have a significant part of their employment associated with livestock grazing occurring on the national forest lands. Although we had examined a 10-percent increase in grazing over the next 50 years, we now anticipate no increase in the next 10- to 15-year period. The outlook for an increase in demand is simply not there in the near future.

Timber demand, on the other hand, has been fairly constant and the outlook appears good. And there are appendix materials to support that over a 15-year period. Over the past 15 years, the Payette has sold 96 percent of the timber that it has offered. During this period, an average of 67 million board feet per year was sold. This 15-year average is a good way to look at demand, for it includes both good years as well as the years that were poor for the industry. It also includes years in which industry was obtaining its supply from other ownerships such as State lands and private lands.

The Payette's draft proposal sought a timber sale level that would maintain the historic sale quantity and allow for a modest increase to account for our anticipation of demand in the next 10 to 15 years. We proposed an allowable sale quantity of 74 million feet, plus an additional 4 million feet of salvage. That's 78 total. This is about an 11 percent increase over our historic offerings; although it is at approximately the same level as our present timber management plan. Due to funding considerations and our projection of demands, annual sale offerings have varied as much as 45 percent.

We are also examining other ways to anticipate the future. We have looked hard at our costs and have been able to reduce them in several areas. For example, we're looking at innovative ways to market lodgepole pine that will minimize administering and preparation costs. We expect the reduced costs to be up to one-fifth less than those we projected in our draft.

This principle is important on the Payette. In order to achieve other benefits and to maintain timber sales at the historic or higher level, we will incur a certain amount of volume where costs exceed the revenues, at least for the initial entry. When emphasizing a balance of resources as we did in our draft proposal, the most sufficient level of timber management is about 50 million board feet. Communities such as New Meadows/Tamarack and Council are 51 percent and 35 percent respectively dependent on timber-related employment, even when excluding Forest Service employees.

In our plan we felt it important not only to maintain job opportunities at the historic level or better, but also to retain a healthy mixture of resource-related employment. The Forest Service is not mandated by law to perpetuate resource outputs in attempts to stabilize a given community—especially if this means stressing the management of one resource to the serious harm of another. We do want to consider the potential effects of our resource decisions on community well-being. When it appears we can retain or enhance the resource outputs at a level those communities have historically depended upon, we feel it is to our mutual benefit to do so.

To summarize public reaction to the draft forest plan: Almost everyone wants the anadromous fishery to return to the South Fork. At that point opinion becomes divided. Many people want no further timber harvesting in the South Fork and prefer wilderness or at least some sort of undevelop management, while others want harvesting to return to the drainage and feel strongly that it can be done in a way that protects fish habitat. Wilderness, and decisions about roadless lands, is another greatly polarized issue. Many people also expressed concern the Payette was favoring decisions enhancing community stability at the expense of resources such as wilderness and anadromous fish habitat.

In summary, balance is the key to public acceptance of the Payette forest plan. And balanced funding is the key to successful plan implementation which will promote community stability.

This concludes my prepared statement. I'll be pleased to answer any questions later.

Senator McClure. Thank you very much.

Mr. Butler.

STATEMENT OF DUANE BUTLER

Mr. Butler. Thank you. Can you hear me?

Senator McClure. Yes.

Mr. Butler. Thank you, Senator McClure.

Senator McClure. Are you going to take the 10 minutes or the 5?

Mr. Butler. I'll take the 10.

Senator McClure. That's up to you.

Mr. Butler. Yes; I'll take the 10, please.

Senator McClure. All right.

Mr. Butler. Senator McClure, Senator Symms, Congressman Craig, I'm Duane Butler, the district ranger for the Idaho City ranger district of the Boise National Forest. I am representing Jack Lavin, the forest supervisor of the Boise Forest. We appreciate this opportunity to appear before the subcommittee to discuss our proposed forest plan.

The Boise National Forest is a diverse 2.3 million acre land area lying to the north and east of the city of Boise. The forest is drained by portions of the Salmon, Payette, and Boise River systems. The land is characterized by complex drainage systems and steep mountain slopes. Most of the forest lies within the geologic formation known as the Idaho Batholith. This formation is characterized by its erosive soils and unstable slopes. The forest contains many important resources, including opportunities for a variety of recreation experiences, forage for livestock, wildlife and fish habitat, water, minerals and timber.

The Salmon River drainage provides important habitat for chinook salmon and steelhead trout, while the Payette and Boise River drainage provide important resident fish habitat. About 10,200 mule deer and 6,200 elk currently utilize habitat on the forest. Sixty-five thousand acres of the Frank Church-River of No Return Wilderness lie within the forest. About 1.2 million additional acres of the forest remain unroaded. Eighty-five percent of the Boise National Forest has the capacity to grow timber at an annual rate of 20 cubic feet or more per acre, with about one-half of that area producing more than 50 cubic feet annually. Communities particularly influenced by their proximity to the Boise National Forest and its resources include Cascade, Horseshoe Bend, Emmett, Idaho City, and Mountain Home.

We have delayed release of our draft land management plan to further examine the effects of the assumptions and decisions we have made in the planning process, and to reanalyze the relationships among resources. We are presently completing the planning documents, and the information we are providing here was developed last fall and must be considered tentative until completion of the reviews and the release of the draft environmental statement and the proposed forest plan. We appreciate—we anticipate that these documents will be available by next January.

The tentative planning data for the Boise National Forest has been developed in response to the National Forest Management Act. In addition, a number of other acts have been considered including the Clean Air and Water Acts, the Endangered Species Act, and the National Environmental Policy Act. In responding to these statutes, extensive public involvement helped identify the issues related to management of the forest. A diversity of opinions were expressed by the public as to the management direction for the forest. In general, there were strong expressions to maintain a high quality natural environment along with providing for using the commodity resources such as timber, grazing, and minerals.

The proposed forest plan provides for diversity of quality recreation experiences ranging from developed sites, such as ski areas and campgrounds, to undeveloped areas and wilderness. We have emphasized managing the most efficient timberlands to provide a continuing supply of timber. The most efficient level of timber harvest for the Boise Forest is about 66 million board feet. We have recognized the local community needs for timber industry-related employment by proposing a significantly higher harvest level. Livestock grazing will continue at about current levels with an emphasis on improving range conditions, particularly in riparian areas. The emphasis on managing all forest resources insures a diverse economy and responds to the needs of those communities with dependencies on the national forests.

Some pertinent data from our proposed plan indicates projected outputs and capabilities. We would expand our developed and undeveloped recreation program to accommodate 2.6 million recreation visitor days annually. Currently, we have about 1.8 million visitor days. There would be 12 undeveloped recreation areas with a semiprimitive prescription totaling 310,000 acres.

There are 65,300 acres of designated wilderness on the forest. The draft identifies an additional 186,800 acres as proposed wilderness.

We would provide forage, browse, and habitat capable of supporting 10,300 deer, 7,300 elk, 113,000 animal unit months of livestock grazing.

The allowable sale quantity of sawtimber would be 77.8 million board feet. Added to this volume would be an estimated 2.3 million board feet of sanitation and salvage. An additional 2.3 million board feet annually can be scheduled in the first decade from lands from which harvest has previously occurred. These are lands which need further treatment, but our present inventory data is inadequate to include them in the allowable harvest level computations. In addition to sawtimber, we anticipate 12 million board feet equivalent to be available annually as round wood products. Our total timber harvest would be 94.4 million board feet, of which 82.4 million board feet would be sawtimber.

Plan implementation would generate annual payments to the counties totaling about $2.3 million, and provide about 2,125 person years of employment related to managing the timber, livestock, and recreation resources. The ultimate accomplishment of these objectives is sensitive to the budgets available for implementing the plan.

In conclusion, the proposed forest plan for the Boise National Forest will provide for many commodity and noncommodity uses, while maintaining the long-term productivity of the land. Local community needs have and will continue to be considered. Visual resource objectives have been established. Fish and wildlife habitats will be maintained or improved over the long term. The plan provides both short- and long-term management direction for land managers. Many management options will be retained for the future as needs and public desires change.

The proposed land management plan for the Boise National Forest, and the process used for its development, meet the requirements of the National Forest Management Act. We want to emphasize that the planning process is dynamic. We will continue to explore ways to respond to the issues identified through public involvement and concerns raised through forums such as this hearing. The needs of the local communities will continue to be evaluated and considered. We look forward to public review of our plan. We intend to listen carefully to the comments received, and will search for ways to resolve any of the continuing issues.

This concludes my prepared statement. I will be happy to answer any of your questions.

PREPARED STATEMENTS

Senator McCLURE. Thank you very much. Your prepared statements will be inserted in the record at this point and then we will proceed with some questions.

[The statements follow:]

STATEMENT OF VETO "SONNY" LASALLE

I am Veto J. LaSalle, Forest Supervisor of the Payette National Forest. I appreciate the opportunity to appear before the Subcomittee to present an overview of the status and content of the land management plan for the Payette National Forest.

The Payette National Forest contains about 2.3 million acres in Central Idaho. About one third of those acres lie within the Frank Church - River of No Return Wilderness. Of the remaining acres, about 62 percent are presently undeveloped. Much of the Forest is underlain by the highly erodible soils of the Idaho Batholith, although the western and southeastern portions are composed of the much more stable basalt soils.

The Forest provides habitat for almost 400 different species of wildlife and fish. The Payette is noted nationally for its quality big game hunting, as well as its anadromous fish habitat which provides spawning and rearing beds for chinook salmon and steelhead trout. Timber is also an important resource in this area, and a third of the Forest is considered tentatively suitable commercial timberland. Other significant resources include watershed, range, and minerals.

The Payette National Forest released its Draft Forest Land Management Plan in September 1985. In order to interface with the ongoing timber supply study, we now project the final documents will not be available until next spring.

One of the dominant issues raised by many of our publics at the outset of our Forest Planning process was the effects of Forest management policies on the economy and well-being of local communities. We examined 13 different communities, varying in population from 200 to 4800, which are heavily reliant on Payette National Forest resource outputs. Seven of the 13 communities have over 20 percent of their employment linked to our resource sectors of timber, livestock grazing and recreation.

The 25 percent of National Forest receipts paid by the Federal Government in lieu of taxes provide significant support to local governments and schools. Over the past 10 years, these payments have amounted to about 9.1 million dollars. About 95 percent is derived from timber receipts. Our Forest Plan projects the potential for an increase to about 12.0 million dollars over the next 10-year period.

In our Draft proposal, the recreation sector would be favorably affected. We are recommending approximately 195,000 acres of new wilderness. Their proximity to McCall and Cascade should nicely compliment the outstanding recreation complex already centered in these areas. The same is true for the 460 thousand acres of semi-primitive recreation opportunities the Forest will manage for their high recreation value. Here the users will be both motorized recreationists such as trail bike users and snowmobilers, as well as, backpackers and horse users.

One major achievement anticipated in the Plan is the return of the quality anadromous fishery in the South Fork of the Salmon River. For the Final Forest Plan we are currently identifying ways to improve those fisheries even more than we anticipated in the Draft. As the South Fork returns to the required level of habitat, and returning adult chinook salmon attract an influx of fisherman, there will be a significant economic gain for local communities. However, the majority of the benefits of the anadromous fishery occur far downriver from our local communities when you consider all users including sport, commercial and Indian fishermen.

Our Plan also recognizes the high recreation value of enhancing our big game populations. We predict a continued increase in the number of elk and deer using the Payette for both summer and winter range. We'll be able to achieve this increase through a careful selection of when, where, and where not to harvest timber, and an aggressive program of access management. Once an area is harvested for timber, it will still provide an adequate level of hiding cover for the animals and a quality hunt for the hunter. All of the communities will benefit from this widespread use of the Forest. We have striven to offer a variety of recreation opportunities without emphasizing one user group over another.

The Draft also sought a modest increase in grazing potential on the Forest. Several communities, like Midvale and Cambridge, have a significant part of their employment associated with livestock grazing occurring on National Forest lands. Although we had examined a 10 percent increase in grazing over the next 50 years, we now anticipate no increase in the next 10-15 year period. The outlook for an increase in demand is simply not there in the near future.

Timber demand, on the other hand, has been fairly constant and the outlook appears good. Over the past 15 years the Payette has sold 96 percent of the timber that it has offered. During this period, an average of 67 million board feet per year was sold. This 15-year average is a good way to look at demand, for it includes both good years, as well as years that were poor for the industry. It also includes years in which industry was obtaining its supply from other ownerships such as State lands or private lands.

The Payette's draft proposal sought a timber sales level that would maintain the historic sale quantity and allow for a modest increase to account for our anticipation of demand in the next 10-15 years. We proposed an allowable sale quantity of 74 million board feet, plus an additional 4 million board feet of salvage. This is about a 11 percent increase over our historic offerings; although it is approximately the same level as our present timber management plan. Due to funding considerations and our projection of demands, annual sale offerings have varied as much as 45 percent.

We are also examining other ways to anticipate the future. We have looked hard at our costs and have been able to reduce them in several areas. For example, we are looking at innovative ways to market lodgepole pine that will minimize administration and preparation costs. We expect the reduced costs to be up to one-fifth less than those we projected in our Draft.

This principle is important on the Payette. In order to achieve other benefits and to maintain timber sales at the historic or higher level, we will incur a certain amount of volume where costs exceed the revenues, at least for the initial entry. When emphasizing a balance of resources as we did in our Draft proposal, the most efficient level of timber management is about 50 million board feet. Communities such as New Meadows/Tamarack and Council are 51 percent and 35 percent respectively dependent on timber-related employment, even when excluding Forest Service employees.

In our Plan, we felt it important not only to maintain job opportunities at the historic level or better, but also to retain a healthy mixture of resource-related employment. The Forest Service is not mandated by law to perpetuate resource outputs in attempt to stabilize a given community--especially if this means stressing the management of one resource to the serious harm of another. We do want to consider the potential effects of our resource decisions on community well-being. When it appears we can retain or enhance the resource outputs at a level those communities have historically depended upon, we feel it is to our mutual benefit to do so.

To summarize public reaction to our Draft Forest Plan:
Almost everyone wants the anadromous fishery to return to the South Fork of the Salmon River. At that point opinion becomes divided. Many people want no further timber harvesting in the South Fork and prefer wilderness or at least some sort of undeveloped management--while others want harvesting to return to the drainage and feel strongly that it can be done in a way that protects the fish habitat. Wilderness (and decisions about roadless lands) is another greatly polarized issue. Many people also expressed concern that the Payette was favoring decisions enhancing community stability at the expense of resources such as wilderness and anadromous fish habitat.

In summary, balance is the key to public acceptance of the Payette Forest Plan, and balanced funding is the key to successful plan implementation which will promote community stability.

This concludes my prepared statement.

TABLE 1

PAYETTE NATIONAL FOREST

1983 - EMPLOYMENT IN COMMUNITIES - 1983 LINKED TO PNF OUTPUTS

COMMUNITY	TOTAL COMMUNITY EMPLOYMENT (MAN/YEARS)	SAWMILL/ LOGGING & ASSOCIATED EMPLOYMENT (MAN/ YEARS)	SAWMILL/ LOGGING & ASSOCIATED EMPLOYMENT (% OF TOTAL)	LIVESTOCK/ LIVESTOCK FEED ASSOCIATED EMPLOYMENT (MAN/ YEARS)	LIVESTOCK/ LIVESTOCK FEED ASSOCIATED EMPLOYMENT (% OF TOTAL)	RECREATION ASSOCIATED EMPLOYMENT (MAN/ YEARS)	RECREATION ASSOCIATED EMPLOYMENT (% OF TOTAL)	PAYETTE NF EMPLOYMENT & EMPL LINKED TO PNF BUDGET (MAN/ YEARS)	PAYETTE NF EMPLOYMENT & EMPL LINKED TO PNF BUDGET (% OF TOTAL)	TOTAL PNF LINKED EMPLOYMENT (MAN/ YEARS)	TOTAL PNF LINKED EMPLOYMENT (% OF TOTAL)
Horseshoe Bend	205	60.0	29.3	0.0	0.0	*	*	0.0	0.0	60.0	29.3
Emmett	1529	234.1	15.3	.3	*	0.0	0.0	0.0	0.0	234.4	15.3
Cascade	421	39.5	9.4	0.0	0.0	16.3	3.9	0.0	0.0	55.8	13.3
Council	297	104.9	35.3	13.3	4.5	6.6	2.2	56.5	19.0	181.3	61.0
New Meadows-Tamarck	284	156.6	55.1	6.1	3.3	9.5	5.1	48.1	25.7	220.3	77.6
McCall	973	45.6	4.7	0.0	0.0	83.5	8.6	342.0	35.1	471.1	48.4
Cambridge	146	8.4	5.8	27.6	18.9	1.2	.8	0.0	0.0	37.2	25.5
Midvale	70	17.5	25.0	8.2	11.7	.2	.3	0.0	0.0	25.9	37.0
Riggins	170	*	*	34.7	20.4	3.7	2.2	0.0	0.0	38.4	22.6
Grangeville	119	19.0	1.6	0.0	0.0	5.6	.5	0.0	0.0	24.6	2.1
Weiser	1622	*	*	48.0	3.0	7.7	.5	27.1	1.7	82.8	5.1
Nyssa	1126	0.0	0.0	52.1	4.6	0.0	0.0	0.0	0.0	52.1	4.6
Garden Valley (Area)	178	3.0	1.7	0.0	0.0	0.0	0.0	0.0	0.0	3.0	1.7
TOTAL	8215	688.6	8.4	190.3	.9	134.3	2.0	473.7	7.0	1486.9	18.1

NOTE: Data based on 1983 PNF output levels of:
1. 74 MMBF
2. 102.2 MAUMS
3. 628.7 MRVDS

* LESS THAN .05

TABLE 2

THE PAYETTE NATIONAL FOREST
TIMBER VOLUME[1]
(MMBF)

YEAR	OFFERED FY	SOLD FY	CUT FY	UNDER CONTRACT
1986	71.336[2,3]	69.446[2,3]	84.000[2]	228.821[2]
1985	70.462	68.845	60.552	239.595
1984	74.182	60.854	67.629	214.728
1983	58.715	51.493	56.849	216.142
1982	69.161	64.265	18.830	254.482
1981	76.619	56.393	49.577	197.266
1980	70.274	58.804	37.692	188.160
1979	64.224[4]	66.208	63.325	173.786
1978	44.413	45.525	70.780	288.065
1977	55.415	56.133	86.524	225.568
1976	68.597	72.855 (TQ 2.022)	106.087 (TQ 31.099)	230.501
1975	70.154	73.197	53.933	219.663
1974	76.400	75.852	77.532	183.078
1973	72.916	81.232	81.553	Data Not Available
1972	97.440	96.004	95.727	
1986-1982 5-Yr Average	68.771	62.981	57.572	230.754
1986-1977 10-Yr Average	65.480	59.797	59.576	222.661
1986-1972 15-Yr Average	69.354	66.467	67.373	

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1. Figures includes sawtimber and green salvage volume.
2. Estimate for August and September 1986 based on actual 1985 offered, cut, and sold.
3. Offered volume for 1986 does not include the 5.122 MMBF Elk Creek Sale which was offered and sold but withdrawn due to appeals.
4. Offered volume from 1979-1972 includes only adjusted sales appraised at $2000 or more. The small sale program accounted for about 2% or 2 MMBF per year.

TABLE 3

PAYETTE NATIONAL FOREST

LOCAL COMMUNITY EMPLOYMENT
LINKED TO PNF ANADROMOUS
SPORT FISHING
"POTENTIAL"
PERSON/YEARS

	EMPLOYMENT			
COMMUNITY	DIRECT	INDIRECT	INDUCED	TOTAL
RIGGINS	5.90	.79	1.40	8.09
McCALL	11.09	3.93	3.76	18.78
NEW MEADOWS	2.66	.35	.26	3.27
WHITE BIRD	.70	0	0	.70
CASCADE	5.15	.83	1.14	7.12
YELLOW PINE	1.92	0	0	1.92
WARM LAKE	.61	0	0	.61
BIG CREEK	.61	0	0	.61
TOTAL				41.1

NOTE: Employment within communities downstream of the Payette National Forest's direct Zone of Influence totals about 320 jobs.

STATEMENT OF DUANE BUTLER

I am Duane Butler, District Ranger of the Idaho City Ranger District, Boise National Forest. I am representing Jack Lavin, the Forest Supervisor of the Boise National Forest. We appreciate this opportunity to appear before the Subcommittee to discuss our proposed Forest Plan.

The Boise National Forest is a diverse 2.3 million acre land area lying to the north and east of the city of Boise. The Forest is drained by portions of the Salmon, Payette and Boise river systems. The land is characterized by complex drainage systems and steep mountain slopes. Most of the Forest lies within the geologic formation known as the Idaho Batholith. This formation is characterized by its erosive soils and unstable slopes. The Forest contains many important resources, including opportunities for a variety of recreation experiences, forage for livestock, wildlife and fish habitat, water, minerals, and timber. The Salmon River drainage provides important habitat for chinook salmon and steelhead trout, while the Payette and Boise River drainages provide important resident fish habitat. About 10,200 mule deer and 6,200 elk currently utilize habitat on the Forest. Sixty-five thousand acres of the Frank Church River of No Return Wilderness lie within the Forest. About 1.2 million additional acres of the Forest remain unroaded. Eighty-five percent of the Boise National Forest has the capacity to grow timber at an annual rate of 20 cubic feet or more per acre, with about half of that area producing more than 50 cubic feet annually. Communities particularly influenced by their proximity to the Boise National Forest and its resources include Cascade, Horseshoe Bend, Emmett, Idaho City and Mountain Home.

Status of the Land Management Plan

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Tentative Land Management Plan Outputs Related to Primary Issues

The tentative planning data for the Boise National Forest has been developed in response to the National Forest Management Act. In addition, a number of other Acts have been considered including the Clean Air and Water Acts, The Endangered Species Act, and the National Environmental Policy Act. In responding to these statutes, extensive public involvement helped identify the issues related to management of the Forest. A diversity of opinions were expressed by the public as to the management direction for the Forest. In general, there were strong expressions to maintain a high-quality natural environment along with providing for using the commodity resources such as timber, grazing and minerals.

The proposed forest plan provides for a diversity of quality recreation experiences ranging from developed sites, such as ski areas and campgrounds, to undeveloped areas and wilderness. We have emphasized managing the most efficient timber lands to provide a continuing timber supply. The most efficient level of timber harvest for the Boise Forest is about 66 million board feet. We have recognized the local community needs for timber industry related employment by proposing a significantly higher harvest level. Livestock grazing will continue at about current levels with an emphasis on improving range conditions, particularly in riparian areas. The emphasis on managing all Forest resources insures a diverse economy and responds to the needs of those communities with dependencies upon the National Forest.

Some pertinent data from our proposed plan indicates our projected outputs and capabilities:

> We would expand our developed and undeveloped recreation program to accommodate 2.6 million recreation visitor days, annually. Currently, we have about 1.8 million visitor days. There would be 12 undeveloped recreation areas with a semi-primitive prescription totaling 310,000 acres.
>
> There are 65,300 acres of designated wilderness on the Forest. The Draft identifies an additional 186,800 acres of proposed wilderness.

We would provide forage, browse and habitat capable of supporting 10,300 deer, 7,600 elk, and 113,000 animal unit months of livestock grazing.

The allowable sale quantity of sawtimber would be 77.8 million board feet. Added to this volume would be an estimated 2.3 million board feet of sanitation and salvage. An additional 2.3 million board feet annually can be scheduled in the first decade from lands on which harvest has previously occurred. These are lands which need further treatment, but our present inventory data is inadequate to include them in the allowable harvest level computations. In addition to sawtimber, we anticipate 12 million board feet equivalent to be available, annually, as round wood products. Our total timber harvest would be 94.4 million board feet, of which 82.4 million board feet would be sawtimber.

Plan implementation would generate annual payments to the counties totaling about $2.3 million, and provide about 2125 person years of employment related to managing the timber, livestock and recreation resources. The ultimate accomplishment of these objectives is sensitive to the budgets available for implementing the plan.

Conclusion

The proposed Forest Plan for the Boise National Forest will provide for many commodity and non-commodity uses, while maintaining the long term productivity of the land. Local community needs have and will continue to be considered. Visual resource objectives have been established. Fish and wildlife habitats will be maintained or improved over the long term. The plan provides both short and long term management direction for land managers. Many management options will be retained for the future as needs and public desires change.

The proposed Land Management Plan for the Boise National Forest, and the process used for its development, meet the requirements of the National Forest Management Act. We want to emphasize that the planning process is dynamic. We will continue to explore ways to respond to the issues identified through public involvement and concerns raised through forums such as this hearing. The needs of local communities will continue to be evaluated and considered. We look forward to public review of our Plan. We intend to listen carefully to the comments received, and to search for ways to resolve any continuing issues.

This concludes my prepared statement. We will be happy to respond to any questions.

Senator McClure. Senator Symms.

Senator Symms. Mr. Chairman I'll reserve the time for the chairman, and I would like to submit about three or four questions for the record if that would be permissible.

Senator McClure. Certainly.

Senator Symms. We can do that later, but I thank all of you very much for your statements. I'm just noticing the time here. We're supposed to take off for Grangeville very rapidly and I'll let the chairman ask the questions. Thank you all.

Senator McClure. Well, I too will be brief and we will submit a number of questions for the response to the record. I am sorry we ran short of time at this point because I would like to, in the more public forum, both ask the questions and get the responses, but we'll have to do the best we can with the time that we have.

Mr. LaSalle, how much of the harvest projected for the next decade comes from the South Fork drainage?

Mr. LaSalle. In the draft plan, it was projected at approximately 7 million board feet annually.

Senator Symms. Seven?

Mr. LaSalle. Seven.

Senator McClure. And in the outyears?

Mr. LaSalle. Past the first decade, sir, I'm not sure. I'm not familiar with that. About eight in the outyears.

Senator McClure. Eight per year in the outyears?

Mr. LaSalle. Yes.

Senator McClure. I would ask the question of both forests that are involved here. You particularly, Mr. Butler, on behalf of Mr. Lavin pointed to a number of statutes which you have complied with in developing the plan. Did you look at RPA?

Mr. Butler. Yes, sir.

Senator McClure. And you, Mr. LaSalle, have you met RPA goals?

Mr. LaSalle. We exceeded the 1980 RPA goals. And as you know, 1985 hasn't reached us yet. We exceeded but not in terms of timber. In other terms, but not in terms of timber.

Senator McClure. But you did meet the RPA goals for timber harvest?

Mr. LaSalle. That's correct.

Mr. Butler. That's correct.

Senator McClure. The reason I ask that is I look—that, too, is a law of the land. And there seems to me to be little reference to it either in the discussions and if I look at the aggregates over the Nation, little reflection of it in the results. I think—well, I have a note from an individual representing an organization that says they have looked at 30 forest plans and 52 draft plans, and only 12 plans meet the RPA targets out of the 82 they have reviewed. Region 1 has the biggest shortfall in the Nation on timber goals according to RPA goals. It's 20 percent in region 1. It's only 10 percent nationwide. So there is some disconnect somewhere, and I guess that's what I'm worried about.

Let me get back to this question that I still have trouble resolving in my mind. You've used some new terminology in the planning process that's hard to match up against the old terminology. We looked before at what was the potential yield of the forest on the land classes that were used in the old forest management process. And today we are using new terms that don't really look at potential yield, but nevertheless you do reflect—you go through that process in your planning process, and there is at a point in there an estimate of potential yield.

As I recall, the statements that have been made by various comments upon the plans is that you have said that your harvest levels, the allowable sale quantity, are below the yields that could be attained, even though those yields are substantially below potential yields. After you look at the constraints of others, you could increase your potential field—your allowable sale quantity; is that correct?

Mr. LASALLE. Yes, sir.

Mr. BUTLER. That is correct.

Senator MCCLURE. And I think, without attempting to be argumentative but trying to understand, it seems to me that what you're really saying is we've looked at historic levels of harvest and we can meet those with this allowable sale quantity and, therefore, we can exceed our targets on others or more easily meet our targets of constraints by looking at that particular level of harvest. Am I correct?

Mr. LASALLE. We looked at the historic level as merely one factor in trying to determine the future. We've looked at other projections for the future. And we've also taken a strong look, as I mentioned earlier, in the 13 communities, 7 of which are very strongly dependent on resources from the forest. And we increased, over our historic offered volume and sold volume, we increased by 11 percent. It's 74 plus 4.

Senator MCCLURE. I'm going to make a statement. I don't want you to misunderstand at all. But you haven't been here 20 years.

Mr. LASALLE. No, sir.

Senator MCCLURE. And I have been involved in this process intimately for the last 20 years as an elected representative for the people in the First Congressional District and then in the Senate of the United States. Doesn't make me know more, but I have a historic reference base that's a little different.

I believe it is true to say that many of your forest harvest plans during that 20-year period have been frustrated by constant review of entering roadless areas. Am I correct?

Mr. LASALLE. Since 1971, when we first had RARE I identification of roadless areas, yes, sir.

Senator MCCLURE. And that has focused your harvest on the roaded areas?

Mr. LASALLE. In many forests more so than others, that's true.

Senator MCCLURE. Mr. Butler, is that true on the Boise?

Mr. BUTLER. Yes, sir.

Senator MCCLURE. At the same time, in the last 5 years the economics have added to that by shifting more of the burden to non-Forest Service lands; isn't that correct?

Mr. LASALLE. Mr. Chairman, if you look at our table on No. 2, even in the last 5 years it has shown a fairly constant volume of sold—sold volume from the Payette. The shift doesn't, by looking at our figures, doesn't appear as dramatic—if you look at 5-year increments or at the entire table, the shift doesn't appear as dramatic as I have heard; 1983 was a low year during that time period. But from 1986, 1982, 1981 was a blip, 1980. We're not looking at a tremendous change in the sold volume from the Payette.

Senator McClure. Did you look at the volumes that have moved through the mills from non-Federal lands?

Mr. LaSalle. Yes, sir; we have. And unfortunately we looked at that for 1 year because it's a tremendous effort in gaining that material between draft and final. We are now in the effort of attempting to gain that information for a 10-year period to get a more respective picture of where those volumes have come from.

Senator McClure. If as a matter of fact those volumes show a heavy reliance upon non-Federal lands which can't be sustained in the future, it would imply a greater reliance upon Forest Service lands in order to maintain the current levels of economic activity in the dependent communities, would it not?

Mr. LaSalle. That would be one implication, yes, sir.

Senator McClure. Same thing true on the Boise?

Mr. Butler. Yes, sir.

Senator McClure. Have you looked at the total volumes moving through mills?

Mr. Butler. Yes; we established our allowable sale quantity level based on a historic sale record. We were aware of the other volume. We did not analyze that in detail to establish our——

Senator McClure. Have you been able to forecast the capability of the non-Federal lands to sustain past volumes?

Mr. Butler. No; this is what I'm saying, we did not go into detailed analysis of that.

Senator McClure. And I understand, Mr. LaSalle, you saying you have not had those figures available to you.

Mr. LaSalle. We had 1983 as far as what actually moved through. And on the Payette it was about 27 percent from the Payette Forest in our working circle.

Senator McClure. Well, again, gentlemen, I'll have a number of questions to submit for response in writing for the record. I think you were present when I expressed my concerns both in this hearing and at other times. I am very much concerned that as a matter of fact you will not be able to achieve the targets you have established. I think the targets themselves are too low. But if you look at past potential yields, sustained yields, planned sales, offered sales; and actual harvest, you brought your allowable sale quantity down toward the lowest of all of those. That doesn't leave us any room for the shortfall at each of the stages as we move toward——

Mr. LaSalle. May I comment, sir?

Senator McClure. Surely.

Mr. LaSalle. Our allowable sale quantity of the, again the 74 plus 4, is 11 percent higher than the historic 15-year period. And we did anticipate an increase in demand from the Payette, sir.

Senator McClure. Is that compared between actual harvest?

Mr. LaSalle. Yes, sir; that's offered, and we compared the amount we offered and the amount we sold, which is very close, 96 percent. And then we established an allowable sale quantity that is 11 percent higher than that in anticipation of that demand.

Senator McClure. Mr. Butler, is the same thing true on the Boise?

Mr. Butler. We did not establish an allowable sale quantity that was higher than historic use, no.

Mr. LaSalle. Just a quick analysis.

Senator McClure. Sure.

Mr. LaSalle. Our allowable sale quantity in the proposed forest plan will exceed the amount harvested in 13 of the previous 15 years.

Senator McClure. But that also assumes that your allowable sale quantity is going to be what you actually achieve.

Mr. LaSalle. We certainly hope it is, sir. If we can get the funding to put it up, we hope that.

Senator McClure. Well, it isn't just funding. You tried to put a fire salvage sale in, didn't you?

Mr. LaSalle. Yes, sir, for 5 million feet.

Senator McClure. You had two different salvage sales. Both were challenged. Some of the challenge was withdrawn on one that did go forward, and the other one never did go forward.

Mr. LaSalle. One went to court and we won, and the other one, the appeal was upheld. But I'd like to state that the primary reason for that was for the lack of a forest plan. So that we do have an environmental impact statement that will comply with *California* v. *Block* and allow us to enter roadless areas that were released with the plan.

Senator McClure. Well, if that's true, why did the Fall Creek sale up in French Creek succeed?

Mr. LaSalle. Because of the impending insect activity and it did meet the requirement.

Senator McClure. You didn't have an EIS or final forest plan.

Mr. LaSalle. Because of the impending insect activity and it did not meet the requirement.

Senator McClure. You didn't have an EIS or final forest plan.

Mr. LaSalle. The judge ruled that it was because of the disaster of the insect activity.

Senator McClure. You didn't have an EIS or final forest plan.

Mr. LaSalle. The judge ruled that it was because of the disaster of the insect activity.

Senator McClure. The judge saw it differently.

Mr. LaSalle. In our favor.

Senator McClure. Yeah, in your favor in one case, against you in the other based upon almost exactly the same plan.

Mr. LaSalle. One basic difference, Mr. Chairman, and that was the lack of insect activity or our impact on the insect activity in Elk Creek, which we could not substantiate.

Senator McClure. You mean there won't be any insects moving in on Elk Creek?

Mr. LaSalle. There will be, but our timber sale would have negligible impact on them.

Senator McClure. And your sale would have a real impact in Fall Creek?

Mr. LaSalle. In Fall Creek, yes; it did and it would.

Senator McClure. I'm curious to know why the insects don't know the difference between the two.

Mr. LaSalle. They do. It was the acres we were affecting. In Fall Creek we were harvesting most of the burned area; in Elk Creek we were harvesting a very minor portion of it because the rest was not economical to get to.

Senator McCLURE. Was that because of its impact on the balance of the forest or because of the impact upon the damaged timber?

Mr. LASALLE. I'm not sure I understand, sir.

Senator McCLURE. Why was the judge concerned about insect population?

Mr. LASALLE. Oh, outside the area.

Senator McCLURE. The impact outside——

Mr. LASALLE. On the balance of the forest, yes, sir.

Senator McCLURE. Outside the area?

Mr. LASALLE. It was a threat to lands that are in our suitable land base on Elk Creek, and we didn't have many of those lands in Fall Creek adjacent to the area. They were different situations environmentally.

Senator McCLURE. Gentlemen, thank you very much. We will look forward to your response. Thank you again. Sorry we have to kind of shorten this period.

ADDITIONAL SUBMITTED STATEMENTS

There are additional statements which were received subsequent to the hearing and they will be inserted in the record at this point.

[The information follows:]

STATEMENT OF KEVIN BOLING

I am employed in the Idaho forest products industry.

The U.S. Forest Service forest planning process has produced forest plans on the IPNF, Clearwater, and Nezperce forests with first decade harvest levels far below the amount needed to maintain the present mill capacity throughout the decade.

Without exception the Forest Service has decided first decade timber sale programs will only match those programs previously offered the last 10 years. Even though their own Forest Service studies by Greene and VanHooser indicate accelerated private harvest during the previous 10-year period cannot be sustained. In fact, industry studies of this situation suggest the potential gap in timber supply from declining private harvest levels matched with the present draft Forest Service forest plan sale levels indicate the gap in timber supply will be at least 221 MMBF.

A 221 MMBF gap in timber supply is comparable to nearly eliminating the sale programs of both the Clearwater and Nezperce National Forests. Unless the Forest Service bridges this gap, Idaho will lose 2,000 timber industry jobs, 4,000 to 6,000 jobs in related industries, $40 million in annual timber payrolls, $2 million annually in State tax revenues, and $2.5 million in school and county road funds.

Idaho simply cannot afford any more strangulation of its basic industries. The Forest Service draft plans if implemented in their present form will provide a convenient vehicle for the further demise of Idaho's vital forest resource based businesses.

STATEMENT OF CLIFFORD LEE

It is very gratifying that you are once again conducting congressional hearings to seek the truth concerning timber management on public lands. This is a terribly important issue to Idaho and our economic future.

For the past year or two the special interest groups opposing timber harvesting in the Northwest have claimed that harvesting timber in Idaho is not economical and that the Forest Service is subsidizing the forest product industry. Nothing could be farther from the truth.

I am particularly disappointed that even Congress has bought into this pack of misrepresentation and has reduced the much needed road money to such an unreasonable level.

The basic premise of the special interest groups is that the total cost of roads' administration and management of timber sales exceeds the dollars returned to the Treasury and timber should not be harvested.

That premise makes two very serious errors. First, they assume that recreation and wilderness management of public lands is without cost. That is false. If you add the cost of fire suppression, wildlife habitat management, and disease control on these lands, the total cost is nearly the same as timber management. In fact, these services are a no-cost benefit provided by good timber management.

The second and most frustrating error is the statement that timber management is not cost effective. Every timber sale sold must return to the Treasury at least base rates. In addition, all roads, brush disposal, erosion control, and replanting must be amortized in every sale.

It is true that base rates which might be as low as $10 per 1,000 will not always cover the cost of preparation and administration of a timber sale, but that is only part of the story.

What is more important is the value of the finished product and the industry it generates. Let me illustrate this point with an example:

Suppose we have a 5 million board foot sale of pine and the value of the product in the marketplace is $450 per 1,000. The appraisal summary would look in simple form as follows:

		Per thousand board feet
Index price		$450
Falling bucking, and decking	150	
Hauling	20	
Road maintenance	5	
Milling and manufacture	235	
KV, BD, erosion control	20	
Total	440	
Forest Service sale price		10

In simple terms, this means that 5MM × $10 per 1,000=$50,000 will be returned to the Government. I agree that won't pay the costs, but without the sale, Idaho will lose 5MM × $450 per 1,000=$2,250,000 in industry. That industry is jobs, business, and taxes for local State and Federal governments.

In my perspective, that is good business and it is also why Canada is ahead of the United States in business thinking.

Income and other taxes are just as valuable and maybe more so, than direct sale receipts to the Treasury, because people will be working and we will have a cash flow. To me, the alternative is to have frustrated men sitting home collecting unemployment benefits. I believe industry is the better choice.

Thank you for this opportunity to express my point of view.

Letter From Curt Hawkins, Manager, Cascade Chamber of Commerce, Cascade, ID

Hon. Jim McClure,
U.S. Senate,
Washington, DC.

Dear Senator McClure: I am writing this letter in support of cutting timber off U.S. Forest Service land in Idaho.

I am a timber owner myself, and I just completed a job of timber management (logging) on my property. I had many expert timber cruisers look at my timber, and everyone said I needed to do the timber management logging in order to open it up to the sunlight. We did just that, roads were built, logging was accomplished, and the slash was piled and burned. The loggers made money, I made money as a landowner, and my place looks much better now than it did before.

As a matter of record, Boise Cascade, whose total logging operation is done under timber management practices, makes more money from their 200,000 acres of land in Valley County than the Forest Service does from their million plus acres. This is not a slam against the personnel working for the Forest Service. I know all the people in leadership positions and they are highly qualified individuals whose hands are tied with regulations.

The above scenario presents a strong case for private ownership of Idaho's timber lands, but that is not the main point of this letter. Trees are a crop and should be harvested by sensible timber management practices by private enterprise in order for the land to realize its full potential and look better in the process.

I am telling you the truth! My land looks better now than it did before. It is truly a shame that one or two people can stop an entire logging operation.

We appreciate all the hard work you have done in the past, and you have all our support.

Yours very truly,

CURT HAWKINS, *Manager.*

STATEMENT OF ROBERT L. BRASLEY, CHIEF, CASCADE RURAL FIRE PROTECTION DISTRICT

As fire chief for the Cascade Rural Fire Protection District, I realize how important it is to have the financial support from the timber industry. We can hardly operate without their support and we all work together. We help fight fires in their area and they help us. Plus we need it for the schools, the economy of the town.

There are a good many senior citizens who depend on the timber industry to help them with their wood heat for the winter. Some of these are also our taxpayers.

I believe as much as possible should be left for multimanagement. We already have enough wilderness. In fact too much.

STATEMENT OF MARGARET L. BRASLEY

It seems this has been an age old fight. Just to keep our community alive. Our schools, businesses, the whole community here depends on the timber industry.

Right now with all the fires it almost seems like God is saying if you are going to fight over it I'll burn it.

There are so many dependent on the timber industry here it is almost frightening. The senior citizens, the people who burn wood for the main heat source. The school children who need education—our most important. If we let them down what next.

Our whole community is very dependent on the economy brought in for this area.

STATEMENT OF JANET M. PROBST

I would like to express my support for an expanded forest plan, providing an adequate supply of timber for the next 15 to 20 years. Present trends allowing available timber sales to be locked up and/or stopped are placing an immense burden on us all.

As a Valley County employee, a taxpayer and wife of a Boise Cascade Corp., log scaler, I see the staggering effects of the present trends. The county is falling farther and farther behind trying to maintain minimum services of law enforcement, road services, fire protection, and competitive employee wages to name a few problems. Fewer workers in the logging industry mean fewer tax dollars being paid, more drain on the welfare system, less money spent at the local stores and less money for our educational system. Tourist industry wages for our workers just do not bring enough money into a household to do more than survive, much less own real property and pay taxes.

Put the timber industry back to work. We need the jobs and the world needs the lumber and all of the byproducts.

STATEMENT OF JON W. PROBST, MAYOR, CITY OF CASCADE

The current forest plan we have on the Boise National Forest and the Payette National Forest is far below the needs of the annual board footage needed for the area saw mills. In response to the recent cuts Congress has enacted on road building on national forest lands, this could spell the end for small mill towns such as Cascade, ID. We depend on the revenue from allowable cut and continuous road construction on Boise National Forest and Payette National Forest for our payrolls, our school district, and our county road and bridge program.

It is high time we worry about our jobs, our children's education and our continued improvements on our county road system, instead of listening to the Sierra Club, the Idaho Conservation League, or anyone else that thinks they are environmentalists. To add insult to injury, the current road system we have on the south fork of the Salmon River is quietly being closed off to the public and any access, period.

Simply by getting pressure from environmental groups, the local Boise National Forest ranger is ordering certain roads in the south fork of the Salmon Area to be closed, tearing down existing bridges, culverts, and generally making access impossible. This is a grave injustice, not only to the taxpayer and those who live and work in this area, but to those who might want to visit any of these closed locations.

Thank you, Senator McClure, for listening to my side of the story.

STATEMENT OF PETE FIELDS

Thank you for taking the time and concern to cover a very important issue in our State, the forest management plan. These public hearings were necessary for you to get the input of all citizens.

As a millworker of 23 years, (including 2 years in the woods, driving a logging truck, and now a shift superintendent), I feel compelled to comment on the trend the Forest Service has been leaning toward the past 10 to 15 years; namely, it has been an obvious gradual but dangerous cut in our available timber. We have lost several sawmills to this declining timber availability, and stand to lose more if their current plans go through. This is not emotionalism, this is fact: Their plans to cut available timber in the Payette 21 million board feet below our projected need, and the Boise National Forest 40 million board feet below our needs can be disastrous to all the mills in this area. In spite of some peoples opinion that the timber recession was caused by high interest rates, and no building going on, those were the minor reasons. The simple fact is, we simply did not have the timber to keep the mills going.

The McCall/Donnelly, council, and Cascade areas are still suffering immensely economically as the result of the closure of the McCall sawmill. Practically all the timber north of McCall was eradicated when the River of No Return Wilderness was passed, and also, the loss of millions of pine trees, (which we need desperately) in the south fork, was blocked off when the Idaho Conservation League convinced the Forest Service, against their own experts' advice to close off that area to any logging for 10 years. The interesting fact is, even though the area is closed to logging now, you can go up there and hardly find an access road to anywhere, even for fishing or hunting. The Forest Service hydrologist evaluated the situation as follows: There would be no harm to the soil or fishing conditions, if proper management of logging was followed. But as usual, the so-called environmentalists won the game.

I urgently request you and your constituents consider the plight of the entire northern half of Idaho, to the Canadian border, in making your final decisions on the forest plan. We must have a 10- to 15-year plan of substance, in order to maintain even the current operation of mills, which are already curtailed. The tax revenues and local economics are suffering severely; mostly due to the whims of a few radical conservation groups who have clout.

Your expeditious efforts to implement Deputy Secretary Peter Myers mandate to utilize our available resources, both mining, logging and agriculture to its greatest sensible extent is of the utmost importance.

STATEMENT OF BILL KANGAS

As an Idahoan, and resident of a timber dependent community, I am concerned with the future of our national forest lands. I am for a plan which provides for the multiple use of our natural resources, which would benefit the majority of Idahoans, and not just the special interest groups.

The locking up of forest land would seriously hurt many Idaho communities, not just the workers in timber and related jobs, but also the many businesses where those workers spend much of their timber dollars. There would also be a tremendous loss in school and road funds.

Availability of timber in Idaho is a key variable for the survival of our timber industry, which is a mainstay of our State's economy. Wages paid to employees in the timber industry exceed 50 percent of total wages paid to employees for all basic industries combined in 15 of Idaho's 44 counties.

I feel it is extremely important to our State's economy to have more national forest land in Idaho opened up for harvesting. I also feel this can be done without sacrificing other important needs, such as quality fishing and hunting, other forms of recreation, as well as scenic beauty.

STATEMENT OF KEN ROU, BASIN ELEMENTARY SCHOOL DISTRICT NO. 72

Idaho City is a small community in Idaho that is making a strong effort to preserve the beautiful heritage of our State. We think it is well worth the effort to make it possible for our children and grandchildren—your children and grandchildren to be able to experience some of the history that has made Idaho like no other State.

It takes money to exist as a small town. You know it is a lot easier for a city of 300,000 to exist on a $1 per capita contribution than it is for a small town of 300 to exist on the same per capita contribution.

So it is with Idaho City. We have managed to meet many of our needs, but not all of them. At Basin School in Idaho City in 1984-85 we budgeted $445,000 and this covered our basic needs. In an area where approximately 88 percent of our land is State and federally owned, that leaves only 12 percent to support the local tax base. That makes it very difficult for districts like us to be able to carry our share of the budget load.

When the Forest Service comes through with over $12,000 as they did last year or $54,000 in 1983, it makes it possible for us to tie up loose ends and purchase the big capital items necessary for the operation of an efficient school district. In the past, Forest Service funds have helped to add additional rooms to our campus and new buses for our students.

We are not asking for funds to build tennis courts or swimming pools or executive type office space. Do you realize that we don't even have a nurse or clinic for our students? We don't have a counselor for children with emotional problems, nor do I have an assistant. Again, we are not asking for these things. But we do need to purchase new buses so that our students may be transported safely to and from school. We do need a roof over our head so that learning may take place.

Forest Service funds provide some of the necessities of life. They help us to maintain a sound educational system and indirectly are helping us to preserve a bit of the past and provide a lot of hope for the future.

We sincerely hope that the powers that be will help us to survive the financial hurdles of education.

STATEMENT OF DAVID SIMMONDS, PUBLIC LANDS TASK FORCE, MCCALL CHAPTER, IDAHO CONSERVATION LEAGUE

It is my hope that these hearings are not convened with intent to unilaterally derail the National Forest Management Act. However, it would appear that this is the case. If the Forest Service can be compelled to drastically alter its forest plans in response to intense lobbying pressure by and for a single industry, then NFMA will have proved to be bankrupt and will likely never be implemented.

I'm going to limit my specifics essentially to the Payette National Forest [PNF]. I believe the Payette to be an exemplary forest, both because of its spectrum of resources to be balanced under NFMA, and because of the outstanding work done by its planning team.

No national forest has gone further in research, data collection, and pursuit of public involvement, over the last 7 years and at a cost to the public of several million dollars, than the Payette. The planning team and staff of the Payette deserve better than the rude derision of their efforts represented by the timber industry's attempts to artifically inflate timber harvest beyond appropriate and justifiable levels.

The forest planning process is very open, with good public involvement and information access built in. Hidden agendas which skew the plans would likely result in successful administrative or legal challenges. The same is probably true of arbitrary political meddling in their outcome.

According to region 4 economic analysis, administration of 74 million board feet annual harvest on the Payette National Forest will result in a subsidy to the timber industry of $6,000 per job per year. This does not include the potential value of lost commercial fishery and recreational based jobs foregone to provide for timber outputs. Because of higher administration costs and more potential job loss, the subsidy to the industry at their proposed inflated cut level would be drastically higher. Administration costs and industry subsidy are minimized at about 50 million board feet per year.

Is the industry willing to justify its purported need for more timber than it has historically cut on the Payette Forest? When asked to provide evidence to support their demands, they say, "Trust us—that's privileged information."

The facts we do have, however, are quite clear. The industry wants 27 percent more than the 15-year average harvest, and 35 percent more than the 10 and 5 year averages. The only argument presented which even vaguely supports increased demand projections are admissions that the industry has overcut its own land. Well, that reminds me of the little signs hanging in people's offices that read, "Lack of prior planning on your part does not constitute an emergency on mine," and I contend that is the appropriate response of Idaho's citizens in this case.

Past harvests on the Payette average between 62 and 69 million board feet, with a downward to level demand trend over the last 15 years.

The value of fish once produced on lands administered by the Payette National Forest has been estimated at $100 million annually in a study by the Ada Fish and Game League. The habitat that produced those fish was literally destroyed in the mid 1960's by irresponsible roading and timber harvest, with resulting massive erosion. No estimate of the loss, over time, to Idaho's economy has been made. We now have the opportunity to restore these fish to historical levels. It is estimated by the Forest Service that up to 100 new jobs would result from full restoration of fish production on the PNF. It was formerly believed that the timber industry would be willing to do its part in correcting past mistakes by respecting water quality and timber harvest constraints, and supporting restoration of this enormously valuable fishery. But its demand for a jacked-up timber harvest in these steep, fragile soils shows how callous and selfish the industry has become in the midst of its many problems. Nobody likes constraints on their livelihood, but we must all accept the dictates of society and the limitations of the environment, just the same.

Senators, ladies, and gentlemen, the people of Idaho won't be bullied into giving our vast forests, mountain ranges, and rivers over to a single industry, when the economic quality, and in fact the very quality of life for the citizens of this State revolve around maintaining the perpetual resource of a high-quality environment.

Thank you for this opportunity to submit testimony on a subject which will hopefully survive beyond the political football stage. I will now hand off the ball.

CAPACITY AND UTILIZATION BY PLANTS PROCESSING SAWTIMBER IN IDAHO, 1979 AND 1985

(By Charles E. Keegan, III, Bureau of Business and Economic Research, University of Montana)

Discussed below are estimates of the production capacity of plants processing sawtimber in Idaho and the proportion of in-place capacity utilized in 1979 and 1985. The primary source used to make the estimates is a census of forest product manufacturers done by the Bureau of Business and Economic Research at the University of Montana. Other sources used include the Western Wood Products Association and the American Plywood Association. The figures for 1985 are preliminary; final figures for 1985 will be available in September.

Saw logs, veneer logs, utility poles, and house logs are the timber products comprising sawtimber. Processors of sawtimber include sawmills, plywood and veneer plants, utility pole plants, and house log manufacturers. A waferboard plant in Chilco, ID, was also included.

A DEFINITION OF PRODUCTION CAPACITY

As part of the census, plant operators were asked for the "production capacity of your plant, both the estimated capacity per 8-hour shift and annual capacity, after considering normal maintenance and down time or in other words, the amount you could have produced if you had sufficient supplies of raw materials and firm market demand for your products."

The definition of annual capacity given by mill operators varied depending on the type and size of plant involved. Larger sawmills, those processing over 5 million board feet of timber, reported annual production capacity based on two 8-hour shifts and a 230 to 260-operating-day year. All mills utilizing under 5 million board feet, other than small veneer plants, reported annual capacity based on one 8-hour shift for less than a 260-operating-day year.

CAPACITY IN UNITS OF RAW MATERIAL AND ESTIMATES OF SAWTIMBER PROCESSED

Sawmill capacity was reported in 1,000 board feet lumber tally while capacity for plywood plants was given in thousands of square feet on a ⅜-inch basis. Utility pole capacity was reported in numbers of pieces of a given size and house log capacity in lineal feet. To relate in-place production capacity to timber harvest and availability, production capacity has been expressed in units of raw material, 1,000 board feet, Scribner.

Sawmill capacity figures were converted to 1,000 board feet, Scribner by dividing capacity in lumber tally by each mill's overrun figure for 1979. Plywood capacity figures were adjusted to 1,000 board feet, Scribner by dividing capacity in square feet of ⅜-inch plywood by each mill's recovery ratio for 1979. To make estimates for capacity in 1985 the 1979 figures were adjusted, by subtracting from the 1979 figure, capacity of mills which have closed permanently and by adding the capacity of new facilities. The 1979 figures have not been adjusted for changes in capacity at mills which operated in both years. Information to do this should be available by September 15.

The estimated volume of sawtimber processed in 1979 was based on the census of the forest products industry described above. To estimate sawtimber processed by sawmills and plywood plants for 1985 a statewide average overrun and plywood recovery figure was used to adjust preliminary lumber and plywood production estimates to 1,000 board feet, Scribner.

Utility pole and house log capacities were adjusted to 1,000 board feet, Scribner by multiplying capacity in the given finished product unit by an average Scribner volume per piece or per lineal foot for both years. For the utility pole sector and house log sector where census information for 1985 was not available it was assumed that capacity and production was unchanged from 1979. The volume processed by these sectors is a small component of sawtimber processed.

CAPACITY TO PROCESS SAWTIMBER IN IDAHO 1979 AND 1985

Preliminary data for 1985 presented in table 1, indicate that the capacity to process sawtimber in Idaho has declined by approximately 4 percent from the 1979 estimate of 2,063 million board feet, Scribner to 1,975 million board feet in 1985. Estimated capacity in north Idaho declined from 1,570 million board feet in 1979 to 1,495 million board feet in 1985 and in south Idaho the decline was from 493 million board feet to 480 million board feet.

Estimated sawtimber processed in 1985 was 1,440 million board feet statewide down from 1,667 in 1979. In north Idaho the estimated volume of sawtimber processed in 1985 (1,130 million board feet was 13 percent below 1979 levels of 1,301 million board feet. In south Idaho preliminary estimates also indicate a 15-percent decline from 1979 levels with 366 million board feet processed in 1979 and 310 million board feet in 1985.

TABLE 1.—SAWTIMBER UTILIZED AND ESTIMATED CAPACITY OF IDAHO SAWMILLS, PLYWOOD PLANTS, UTILITY POLE AND HOUSE LOG PLANTS, BY GEOGRAPHIC AREA 1979 AND 1985

Geographic area	Capacity to process sawtimber [1]		Volume processed [1]		Percentage of total capacity utilized		Unutilized capacity [1]	
	1979	1985 [2]	1979	1985 [2]	1979	1985 [2]	1979	1985 [2]
North Idaho..............	1,570	1,495	1,301	1,130	83	76	269	365
South Idaho..............	493	480	366	310	74	64	127	170
Total Idaho......	2,063	1,975	1,667	1,440	81	73	396	535

[1] Million board feet.

[2] Preliminary.

Note: Sawtimber refers to saw logs, veneer logs, utility poles, and house logs.

Source: University of Montana, Bureau of Business and Economic Research, Idaho Forest Industries Data Collection System (Missoula, MT, July 1986).

STATEMENT OF RICHARD RICE, THE WILDERNESS SOCIETY

On June 26, 1986, Senator Steve Symms released a statement calling for higher timber production on Idaho's 10 national forests. The statement expressed concern that harvest levels currently proposed in national forest draft plans will lead to additional unemployment in the State's timber industry. Symms said that "State and private timber holdings have reached their practical limits of productivity. If Forest Service timber offerings aren't increased, more cutbacks and mill closures are likely to occur in Idaho's forest products industry." According to Symms, unnecessary environmental constraints are the primary reason that national forest timber production has been declining in recent years.

The purpose of this memo is to review the facts behind Senator Symms' statement and to propose a general response.

Symms makes two basic assertions in his statement. The first is that the national forest share of timber production in Idaho has been declining steadily in recent years. Reductions in allowable sale quantities proposed in Idaho plans, he believes, will lead to a continuation of this trend. According to Symms, State and private production has increased to fill the void created by Federal policies restricting allowable harvests on the national forests. However, because nonfederal timber holdings have reached their practical limits of productivity, the Senator does not believe that this can continue in the future. He, therefore, predicts that if national forest timber offerings are not increased, unemployment in the timber industry will rise.

His second major assertion is that lower sale offerings on the national forests are primarily due to unnecessary environmental constraints.

To support his first point, Symms states that historically, national forests have provided more than one-half the State's timber harvest compared to 43 percent today (actually, the latest figure available is 39 percent in 1984). According to the Idaho Department of Lands, however, the last year in which the national forests supplied more than one-half the timber logged in Idaho was 1976, and before that, 1971.

The earliest year for which data are available is 1969. During the period 1969 to 1979, the Forest Service accounted for an average of just over 49 percent of the timber produced in Idaho. More recently, 1979 to 1984, the annual average was 42 percent. To state that the Forest Service has historically accounted for more than one-half the timber produced in Idaho, then, is incorrect.

On the other hand, timber harvests on national forests in Idaho have fallen somewhat in recent years, both in absolute and percentage terms. Whether this is simply a response to poor economic conditions or the beginning of a longer term trend is debatable. It is also unclear whether State and private production has increased to fill the void created by lower Forest Service harvests. Since 1975, the Forest Service and private producers have repeatedly traded places in terms of who made the largest contribution to the State's timber supply. State production has also varied from year to year, but overall has changed very little.

The main thrust of the Senator's statement, however, is not that Forest Service timber production has fallen. Instead, the statement's intent is clearly to link lower Forest Service harvests, and the condition of Idaho's timber industry in general to unnamed environmental constraints:

> The Forest Service share of Idaho timber harvest has decreased for several reasons. Because of environmental constraints the volume of timber considered available from the national forests has been decreasing. At the same time the cost of harvesting the national forest sometimes unnecessarily—increased . . . We cannot have unnecessary constraints on raw material availability.

The Senator's statement fails, however, to provide any information to support this assertion.

Historically, the volume of timber sold on national forests in Idaho has not been constrained by the volume of timber offered for sale. Between 1979 and 1984, the volume offered on all national forests in the State, considered together, was substantially above the volume sold every year. On average, more than 140 million board feet—16 percent of the timber offered for sale each year—went unsold. Moreover, this situation was not confined to one or two forests. On all 10 of the State's national forests, the average volume of timber offered each year exceeded the average volume sold.

Idaho's national forests also have a substantial backlog of sold but uncut timber. As of July of this year, a backlog existed on each of the State's national forests. In all, nearly 2.2 billion board feet of national forest timber had been sold but remained uncut statewide. This represents more than a 3-year supply of timber based on 1979 to 1984 harvest levels.

Finally, as indicated by timber program losses on Idaho's national forests, much of the timber currently harvested on Forest Service land has a low market value and is often uneconomic. With the exception of the Challis National Forest, average annual net timber receipts on every forest in the State were negative over the period 1979 to 1984. Net timber receipts on the Challis averaged only $5,000 per year. Any increase in national forest timber harvests would, therefore, almost certainly be accompanied by an increase in Forest Service loses.

Senator Symms' claim that Forest Service timber harvests are constrained by the volume of timber offered for sale is simply not supported by recent history. Forest Service proposals to reduce the maximum annual sale level on the State's national forests from the current 824 to 805 million board feet per year is also unlikely to constrain the quantity of timber sold or harvested. From 1979 to 1984, the average volume of timber sold on the national forests was 736 million board feet per year. The average volume harvested—661 million board feet per year—was even less. It is clear, then, that the primary factor constraining the level of timber harvested on Idaho's national forests is not timber supply, but market demand.

Annual variations in demand are also a primary determinant of employment in the State's forest products industry. In addition, competition from Canadian producers and the continuing shift of timber industry investments to the southeastern United States are forcing western producers to become more efficient. In Idaho, this means fewer timber industry jobs for a given level of production. As Senator Symms noted in his statement, despite the fact that production in 1979 to 1984 were roughly the same, forest industry employment has fallen by more than 20 percent over the same period.

This trend can be expected to continue in the future. For example, one of the State's largest sawmills, the Potlatch mill in Lewiston, is currently being completely rebuilt to modern standards. Though the capacity of the new mill will match that of the current facility, it will require 40 percent fewer employees to operate.

In sum, increasing the quantity of timber offered for sale on Idaho's national forests can do little to influence either the size of national forest timber harvests or the employment it supports. In fact, given that current sale offerings exceed demand and the Forest Service loses money on much of what it does sell, proposals to increase sale levels are simply unreasonable. Blaming environmental regulations for the ills of the State's timber industry ignores the real problems of market demand, technological change, and competition from more efficient producers.

SUBCOMMITTEE RECESS

Senator McClure. If there is no further business, we will recess so that we can get over to Grangeville for another hearing.

[Whereupon, at 1:36 p.m., Friday, August 22, the subcommittee was recessed, to reconvene at the call of the Chair.]

A REVIEW OF FOREST SERVICE PLANS TO MANAGE NATIONAL FORESTS PURSUANT TO NATIONAL FOREST MANAGEMENT ACT

FRIDAY, AUGUST 22, 1986

U.S. Senate,
Subcommittee on Interior and Related Agencies,
Committee on Appropriations,
Grangeville, ID.

The subcommittee met at 3:15 p.m., in the Grangeville Elks Lodge, 111 South Meadow, Grangeville, ID, Hon. James A. McClure (chairman) presiding.

Present: Senator McClure.

Also present: Senator Steven D. Symms.

NONDEPARTMENTAL WITNESSES

OPENING REMARKS OF SENATOR MC CLURE

Senator McClure. The meeting will come to order.

Good afternoon. This is the third of three field hearings of the Senate Appropriations Subcommittee on Interior and Related Agencies. The first was held in Coeur d'Alene yesterday and the second in Emmett earlier today.

The purpose of these hearings is to receive both oral and written testimony about the affects of the Forest Service's planning process on the economy of Idaho and dependent communities.

As chairman of this subcommittee, and as an Idahoan, I have long been concerned about the Forest Service land management and allocation decisions and how they affect the citizens of local communities—those who have little choice in the fact that they must depend on the national forest either directly or indirectly for their livelihood.

About 65 percent of Idaho's lands are controlled by the Federal Government, which makes us extremely dependent upon them. Unfortunately, public discussion of these issues has tended to be polarized, and it often overlooks the majority of people who get caught in the middle of these controversies. I hope that one of the byproducts of these hearings is to give people a better understanding of how important the role of Forest Service land management decisions are in their lives.

Education is a good example of this relationship. In Idaho, funding for education accounts for an average of about 70 percent of all State general account appropriations. This year, it was 75 percent, or $451 million.

Most people don't know, except in the most vague way, that another $8 to $10 million annually is returned to Idaho's counties as their part of the 25 percent of gross timber sale receipts. By law, 70 percent of those funds must be spent to support county road construction and maintenance programs. The remaining 30 percent, or about $2½ million a year, is spent on school programs. Now that might not sound like much compared to statewide spending on education, but in many specific counties and school districts it's a very significant portion of their budgets.

We will be hearing today from some of those administrators and elected officials who represent the vast number of our citizens who tend to be ignored by those whose objective it is to simply permanently halt the commodity uses of the national forests.

Senator Symms, Congressman Craig and I were glad to hear that Assistant Secretary of Agriculture Peter Myers had placed a hold on Idaho's forest plans in May. Millions of dollars are being spent to develop the current round of plans, yet little attention has been paid to their economic impact on local communities.

I'm going to make it clear at the outset, the intent of these hearings is not to decide whether we should have more wilderness, or less wilderness. Those issues and points of view have been staked out so many times before that it's not necessary to go into that here today. This is a hearing to develop facts—facts to let us know how Forest Service land management decisions affect local dependent communities. We also need to know whether you think the Forest Service is doing a good job in determining what the local economic impact is.

In looking over the witness list, it appears that we will be hearing from a good cross section of community concerns.

I know that there are many more who would like to present oral testimony. Unfortunately, time constraints forced us to limit the number of witnesses. The subcommittee will accept written statements for the record until the close of business Friday, August 29. Statements should be mailed to me in care of the Interior Appropriations Subcommittee, 361 Dirksen Senate Office Building, Washington, DC. Or, if you have them with you today, you can file them with our staff.

So that everyone scheduled to testify can be heard, the members of panels will have 5 minutes for their oral presentations. And I might just note that members of the panel, if they wish to divide the time up among themselves and allocate some greater time to one person, that's fine too. It's up to the members of the panel. Following these remarks, Senator Symms and I will ask any questions that we may have. However, due to the limited time we have, I hope my colleague will join me in a sincere attempt to adhere to our schedule.

I might just note for the record that Congressman Craig had planned to be here, has his representative here, but a family emergency came up and he has to tend to family matters this afternoon. He asked that I indicate his apologies for not being able to be here. He's been at both the other hearings and would have been here except for that event.

Panel members should bring statements and the copies of the statements to the table right back here and drop them off with the staff at that table. If you haven't already filed those statements, that is.

Now having been involved in these issues for many years, I know that emotions are going to run deeply in any hearing that we have on these subjects. We don't have an applause meter. There is no way to register either hisses, boos or wild applause, and it only takes away from the time, the attention of the hearing. So I would hope that we don't indulge ourselves following any of the speakers' presentations, whether you agree with them or disagree with them.

Senator Symms, is joined with me at the table today by Dave Leroy, our Lieutenant Governor, who has also been following this issue with a great deal of interest.

Senator Symms, you have requested the opportunity to make an opening statement and I'll yield the opportunity to you.

Senator **Symms**. Well, Mr. Chairman, I'll be as brief as possible because I do note that we are just a few minutes behind our scheduled starting time for this hearing.

I thank you for having this appropriations subcommittee in Coeur d'Alene and in Emmett and then again here in Grangeville so the citizens of this State can testify on the forest plans. Now I think you're to be commended for doing this because I think it's one of the more important things that happen, and in my view the forest plans that we're reviewing at these hearings will have a direct bearing on the social and economic development of our State during the next 10 years. I know that may sound like an extreme statement, but in my view it is not.

Just a few facts for the history of the situation; 38 percent of Idaho's land is managed by the Forest Service. This Federal land, Forest Service land, furnishes 1 million animal unit months of grazing; 700 million board feet of timber each year. It's about 40 percent of our total timber harvest and nearly one-half our Federal land grazing.

Idaho's national forests provide more than 10 million visitor days of recreation each year. Now the statistics aren't available on the percentage of outdoor recreation, but it's significant both to the individual recreationist and to the recreation industry. Our fourth major industry, mining, is also partially dependent upon the national forest for raw materials.

Our task at these hearings is to review the progress of the forest planning process, and I have a feeling that planning has become too cumbersome and too complex. It seems to have become more an objective than a process.

Several years ago I was told that the forest plans cost on the average $250,000. That was before it became clear that almost every forest plan would be appealed, which adds immensely to the cost. More recently, the Forest Service has put out an average plan cost of somewhere between $600,000 and $1 million. In any case the problem is illustrated. The Forest Service, trying to follow the complex and sometimes contradictory directive of the Congress and then have the Mickey Mouse appeals from the environmentalists, is trapped in an unending cycle of planning.

And I have to say to those of you who are professional forest managers working in the U.S. Forest Service, I sympathize with the frustration you must feel. It may be that it's time for some legislative changes in the mandate of the Forest Service. But in a way, that's irrelevant because it's probably not possible to change the rules in time to influence this planning cycle. Instead, we need to be sure that much progress is being made, and the progress is taking us on the right road, and we're approaching the current laws with the proper attitude of how it impacts communities, how it impacts the social and economic atmosphere in the State of Idaho and other areas, and what the impact will be for the long term.

Now my concern is that the plans that we currently have seen will not lead to the best management and utilization of the resource of the national forest. As an example, the timber harvest projections I've seen show that the Forest Service preferred alternatives will result in an annual shortfall of about 225 million board feet of harvest if the present levels are maintained.

Now, Mr. Chairman, this morning in Emmett we heard some excellent testimony from Boise Cascade Corp., from Mr. Bender, from Mr. Hitchcock of Evergreen Forest Products, from Joe Hinson of the Idaho Forest Industry Council, with very impressive statistics that verified what I've been saying. It contrasts the Forest Service's high commodity output alternatives with the estimated production from the other ownerships to provide enough wood for the industry needs.

Without this production, an estimated 2,000 jobs are going to be lost. Unfortunately, the Forest Service projections are based on harvesting about 26 percent of the needed wood from the roadless areas. I don't think anyone expects this to happen, and that's my concern about the whole process, whether we can really get into the roadless areas without a myriad of lawsuits.

Now this is one of the things that makes me believe that in addition to the forest problems, there are the timber problems. There are miles of trails trail bikers use, stockmen are alarmed about the perceived change in livestock fencing, and the majority of Idahoans do not see the reason for identifying any more wilderness. We won't get into that or another million acres as the forest plans direct.

But I do think that what we need to discuss is what we can do—as a congressional delegation as a State in working with the forest managers. I don't mean to have my statement sound like that I came here just to beat up on the Forest Service, because I know there are many very able and very professional land managers within the Forest Service that get caught in the crossfire between the two opposing points of view on how this land should be managed.

I guess one of the biggest disappointments that we've had so far in the hearings is the testimony of the Governor this morning, when he gives the appearance that with the school people testifying they can't afford to not have the timber cut up, the forest products industry testifying that we're going to have mill closures if we go on in this way, and then the Governor saying: "Don't worry about it. Leave it to Washington and they'll solve the problem."

What we need is a unified force from Idaho to make it clear that we're fishermen, we're hunters, we're conservationists, but we also want to utilize the resource that the good Lord blessed this State with in a fair and reasonable way. I think that's what we want to achieve.

As far as I'm concerned with the forest managers, if we can work out a plan that will provide more wood and more product, they will have my support to stand up and take a little of the flak that does come their way. And I know it's a tough job, but I think it's important. And I want to repeat again that this is one of the most important things that's going to affect the future of not only those of us in this room, but our children. It's a question if they'll be able to live and work in Idaho or, as you say, Mr. Chairman—I understood now what it was you were talking about. It will be the kids all coming back to visit because they have to go someplace else to work.

I don't want to see that happen, and I pledge to see if we can make a correction and work with all parties to solve it. Thank you very much again for holding these hearings and inviting me to be a part of it.

Senator **McClure**. Thank you, Senator Symms. The Governor has been invited to appear at each of our hearings. He has indicated in a statement that was made on his behalf by one of his aides at the meeting in Emmett that that is the only time that he wished to appear before the three hearings.

Senator **Symms**. Well, Senator, I know you said something—you were disappointed he didn't make the statement. But if I didn't have a better statement than he made, I would have sent it.

Senator **McClure**. Well, he said that. The Lt. Gov. Dave Leroy.

STATEMENT OF DAVID LEROY, LIEUTENANT GOVERNOR OF IDAHO

Lieutenant Governor **Leroy**. Mr. Chairman, Senator Symms, ladies and gentlemen, I'm honored to appear today and participate in these hearings first as a representative for Representative Larry Craig in his inability to be with us as he planned to this afternoon; and second, as a representative of the people of the State of Idaho.

As the chairman said in his opening statement, there are some very fundamental issues and very fundamental concerns that will be touched deeply by the result and the swiftness with which the result is achieved in this forest planning process. The need for balance, the need for achieving proper results for tourism, for timber, for recreation, for wildlife is evident to those who will testify today, often from different perspectives.

But I think one thing that comes through loud and clear in this State at this time is that it's essential to remove as many uncertainties, economic uncertainties, environmental uncertainties, so that we can go on about the business of moving this State forward economically and environmentally from all the different points of view. And so long as this forest planning process remains unresolved, so long as there are grave questions associated with the cumulative economic impacts of the various forest plans when read together, we have an uncertainty, an abiding uncertainty that gives us a great deal of difficulty so far as the jobs and economic future of this State is concerned.

I, like Senator Symms, am gravely concerned we may be in the process of writing ourselves a set of plans that cause us to lose up to 2,000 timber jobs in the first instance. And, of course, as with everything economic, there may well be a ripple effect, losing us another 4,000 or 5,000 jobs in indirect but related fields in the various timber industries there is in our State.

It's essential, therefore, I think, that we receive the kind of testimony that's been presented two times previously and then will be again heard here today from the various points of view concerned. But if the result of the forest planning process is no more than the allowance of the cutting of 47 percent of the annual growth of timber in this State, when we will see obvious significant negative economic impacts that I think, and perhaps the testimony will support in these hearings, can be avoided by other results and adjustments to the plans individually and cumulatively.

I, like Senator Symms, was disappointed today to hear that the chief executive had taken the position on behalf of the State that the plans as they are in their current form should be released, and that any economic difficulties or any other future difficulties should be adjusted only after the fact, if this process were to start again or if down the road those dire economic or other consequences became evident. I think that's the wrong position for the State to take.

Instead, as Lieutenant Governor, I'm calling today on all of the effective State departments: the Department of Lands, the Department of Employment, the Department of Water Resources, the Department of Commerce to issue to the U.S. Government and through these hearings, by appropriate written or other testimony submitted before the deadline is over, facts from their point of view. The Department of Commerce should give us the perspective so far as economic concerns overall. The Department of Employment should talk about jobs. And the Department of Lands should talk about the inner relationship of these Federal timber acres and the Federal forests to the State holdings and State adjacent land.

So, Mr. Chairman, I am honored to participate here, to hear the testimony from various points of view, and believe the State of Idaho has a responsibility to do more and give more factual information than it has done by the Governor's inadequate statement today. Thank you, Mr. Chairman.

STATEMENTS OF:

KEITH CARLSON, PRESIDENT, LEWIS-CLARK WILDLIFE CLUB, LEWISTON, ID

MICHAEL DALY, OWNER-OPERATOR, BUGLE POINT OUTFITTERS, WILDLANDS SURVIVAL INSTITUTE AND ELK HEAD RANCH, ELK CITY, ID

MICHAEL SMITH, OWNER, THREE RIVERS RESORT, KOOSKIA, ID

EDWIN E. KRUMPE, ASSOCIATE PROFESSOR, UNIVERSITY OF IDAHO, COLLEGE OF FORESTRY, WILDLIFE AND RANGE SCIENCES, VICE PRESIDENT, MOSCOW CHAPTER OF THE IDAHO CONSERVATION LEAGUE

Senator McClure. Thank you very much. We will now call the first panel. Keith Carlson, Mike Daly, Michael Smith, and Edwin Krumpe.

Senator Symms. Mr. Chairman, if I might indulge the committee for just a second in case they're wondering who got ahold of me with my bruised eye. I just have found a new form of recreation for Members of Congress, and that is that anytime that they have the slightest inclination to think of maybe trying to milk the taxpayers, they should attempt milking a wild cow in a rodeo in Idaho. I'm going to recommend this to all of our colleagues, that they take up wild cow milking. It's a good occupation.

Senator McCLURE. A cow did to you what some taxpayers would like to.

Senator SYMMS. We got the milk, though.

Senator McCLURE. When I speak of "you," I suspect I was speaking of the Congress generally rather than you particularly.

Gentlemen, I think you heard the outline of the time you have. You have 5 minutes allocated to each of you. The green light will come on at the start of your testimony. The red light will come on when you have 1 minute remaining. When the red light flashes, you don't have to stop immediately but try to summarize.

Mr. Carlson.

STATEMENT OF KEITH CARLSON

Mr. CARLSON. I'm the president of the Lewis-Clark Wildlife Club of Lewiston, an affiliated club of the Idaho Wildlife Federation and of the National Rifle Association. Senator, I appreciate this opportunity to testify today.

I have participated in the forest planning process with both the Clearwater and Nez Perce National Forests. Our formal comments on these plans are on record, and copies are included as part of the written statement.

During the forest planning process, the public and representatives of many interest groups have provided a great deal of input to the forest supervisors and their staffs. The areas of disagreement among these groups have received much attention from the media and our elected representatives. Receiving much less attention are the many areas of agreement. Almost forgotten in recent days are the agreements that were reached between the timber industry and the Idaho Department of Fish and Game, and among such groups as the Prime Time Players.

Federal and State agencies such as the Environmental Protection Agency, the U.S. Fish and Wildlife Service, and the Department of Fish and Game, as well as industry and conservation groups, have all worked to achieve a final forest plan. The forest supervisor must take all of this and put together a balanced plan that will probably please no one, but that will provide management for the whole forest and its resources. This process is now in danger of unraveling.

No single use can be considered separate from the others.

We are all affected by timber, agriculture, livestock, and the recreation industries and their effects upon our way of life. The outdoor life of our region is why most of us are here and why we choose to remain.

A great deal of your testimony will deal with the timber economy and local jobs. It is more difficult to show the effects of other forest uses in dollars and cents. Some figures can be established, however. Two of our most important local resources are elk and steelhead. In 1985, there were more than 67,000 elk hunters in Idaho. They spent $4.8 million on licenses and tags alone. Outfitted and guided elk hunters spent over $7 million. Twenty-two percent of this effort took place on the Clearwater and Nez Perce Forests.

In May of this year, 250 sportsmen and women attended a fundraising banquet in Lewiston for the Rocky Mountain Elk Foundation. As a result, $6,000 has been provided to the Nez Perce National Forest as matching challenge funds for elk winter range improvements. Yesterday, $3,800 was given to the Idaho Department of Fish and Game for the Clearwater elk study.

Many millions of dollars are being spent on anadromous fish. Last year Bonneville Power spent $2,800 in the Nez Perce Forest as part of their $1.5 million, 10-year program to restore fish habitat destroyed by previous mistakes in road construction and mining and logging.

The issue of allowable sale quantity is primarily a timber/Forest Service number. Sportsmen and the conservation community are interested in the results of timber harvest activities and road building more than the allowable sale quantity number. The forest plan must strike a balance between timber sale levels and the inevitable environmental degradation that results from harvest and road building activities.

The forest plans must also designate lands that will remain undisturbed and not be roaded. Our detailed recommendations for roadless and wilderness lands are contained in our formal responses to the draft forest plans.

Of critical importance in the whole discussion of forest plan and timber outputs is the interrelationship of budget items in the Forest Service budget. An increase in the allowable sale quantity and road mileage will require not only increased timber and road budgets, but corresponding increases in funds for monitoring the environmental effects of these disturbances, mitigation funds, and fish and wildlife. Research budgets for projects that will improve our ability to log and build roads with minimum damage must also increase.

The current holdup of the forest planning process to consider cumulative economic impacts of timber outputs delays the entire process and will cause important delays in the ability of the Forest Service to develop new areas for timber and road development. Until final approval of the forest plans or passage of the wilderness bill for Idaho, the current impasse caused by the RARE II court decisions will continue.

Thank you, sir.

Senator McClure. Thank you. Mr. Daly.

STATEMENT OF MIKE DALY

Mr. Daly. Good afternoon, I'm Mike Daly, owner/operator of Bugle Point Outfitters, Wildlands Survival Institute, and Elk Head Ranch in Elk City. I have been invited today under the category of environmentalist. I am, however, a businessman in direct relation with the Nez Perce National Forest as an outfitter and cattle rancher.

During the Nez Perce Forest, planning process, I worked closely with the planning team and spent many hours reading and digesting the draft EIS's and the 10-year plan. It is my opinion that all

National Forest Management Acts were complied with and due process served. One of the first criteria incorporated in the Forplan was community stability. The final plan has provided a stable balance between all resources. It seems inconceivable to me that after the timber industry was involved in the process, they now cry wolf and spend our desperately needed revenue in a political ploy. This seems even more inconsistent considering the 6-year average from 1979 to 1984, the Nez Perce offered 102 million board feet of timber with 83 million board feet sold and only 65 million board feet harvested annually. It seems to me that the problem with the timber industry and the Nez Perce is not one of supply, but one of demand.

Senator McClure, I refer to your letter of invitation of today's hearings, and I quote: "The Idaho economy is natural resource based economy which consists primarily of timber, mining, and agriculture," unquote. You have quite obviously ignored recreation and tourism, which is currently ranked as No. 3 in revenues returned to the State at $1.2 billion. Recreation and fish and game are a self-renewing resource in our national forests, and is currently the only growing industry in our State. And I refer to studies conducted by the ITC and the U.S. Travel Center in Washington, DC. Timber, mining, and agriculture are all in the decline or stagnant. Recreation and tourism is growing, despite our political representation in Washington, DC, not recognizing that it exists.

The Nez Perce National Forest has been very progressive in offering well-designed timber sales using Peterson's model and value analysis approach. They maintain community stability by continuing to offer below cost-timber sales. The directive by the Secretary of Agriculture for the Forest Service to complete a north Idaho cumulative impacts analysis is estimated to cost an additional one-half million dollars. The report will be redundant upon completion, as statewide impacts were detailed in regional guidelines which preceded the planning process and in the Resources Protection Act. The Nez Perce Forest worked 3½ years preparing a balanced plan at a cost of $1 million. By now stepping outside the process, taxpayers are again asked to pay.

I have attached a copy of my letter to the planning team of the Nez Perce National Forest which outlines the concerns I felt were important. The Nez Perce provided an unbiased party to conduct the Prime Time Players' meeting and to holding more than the allowable sale quantity number. The forest plan must strike a balance between timber sales levels and the inevitable environmental degradation that results from harvest and road building activities.

The forest plans must also designate lands that will remain undisturbed and not be roaded. Our detailed recommendations for roadless and wilderness lands are contained in our formal responses to the draft forest plans.

Of critical importance in the whole discussion of forest plans is Mike Smith, owner of Three Rivers Resort, Kooskia, ID.

STATEMENT OF MICHAEL SMITH

Mr. SMITH. Greetings, Senator McClure, fellow chairpersons and committee members. First of all, let me say that I am honored to be present before you today to speak on the subject that is of major importance to Idaho's economy and the future of her natural resources. I am speaking specifically on the tourism industry of Idaho.

With all due respect for the current economic hardships that some of Idaho's major industries—agriculture, timber, and mining—are facing, I would like to point out to you that tourism is alive and doing very well in Idaho's economy. It is with this in mind that I wish to submit the following information on the growth of tourism in Idaho. This information was obtained through the U.S. Travel Center in Washington, DC, one of the most respected and credible institutions in the travel industry.

Nationwide tourism has become one of the fastest growing industries. In Idaho, it has grown to become this State's third largest industry.

Financially, tourism generates yearly a total of $1 billion in income. A more thorough breakdown of this figure shows that $106 million was generated for our public transportation system; $126 million for the auto transportation system; $114 million for the lodging industry; $398 million for the food service industry; $67 million in the entertainment and recreation industry; and $94 million for the general retail trade industry.

Tourism in Idaho has generated approximately $48 million in Federal tax receipts, $40 million in State tax receipts, and $5 million in local tax receipts. This is a 31-percent increase over the last 2 years.

Economically, tourism provides jobs for over 29,000 people in Idaho, generating a payroll of over $191 million. Currently, there is no other industry in Idaho that provides more jobs than the tourism industry. These figures represent a 12-percent increase in the last 2 years, signifying once again that not only is tourism one of the biggest industries in Idaho, but a true growth industry as well.

These figures are from the 1984 study, and we anticipate that the 1985 figures will be substantially higher.

While the lodging industry in Idaho, through its innkeepers and private campground owners, collect a 2-percent lodging tax which supports the travel industry in Idaho, they are not the primary beneficiaries of this tax.

Actually, the food and beverage industry receives 39 cents of every $1, making them the main beneficiary, with the transportation industry receiving 32 cents of that $1. The lodging and campground industry receives only 15 percent, while the retail purchasers receive 8 percent and the entertainment and recreation industry 6 percent.

In a 1983 conversion study conducted by the Idaho Travel Council, we found the majority of the vacationers listed scenic beauty as a major motive for vacationing in Idaho. The most favored activities included sightseeing and camping. The three things vacationers like most about Idaho in that survey was its scenic beauty, geography, and people. The conversion study continued to point out that in order to attract new visitors to Idaho, it was necessary to focus on: The variety of activities available; privacy and solitude; friendliness of the local people; low cost/high value compared to other destinations; and Idaho's natural scenic beauty.

Observations from the 1984 Marcept market research study on the Idaho skier indicates that the Idaho image with the expectation of the skier surpassed the skier's expectation on: Friendliness of people; privacy and solitude; slope quality; family ski facilities; and again, scenic beauty.

What I wish to point out to you by quoting these research projects is the value of scenic beauty in Idaho.

During the Governor's conference on outdoor recreation and tourism held October 30, 31, and November 1, in Moscow, ID, during 1984, two of the eight listed major concerns dealt with tourism and recreation. Issue No. 5 stated, and I quote,

> This issue focuses on the need for adequate and consistent funding for tourism/outdoor recreation programs, and staff and resource management at all levels of government.

Unquote.

Issue six stated, and I quote,

> Issues focusing on resource management were grouped under this category, including the needs to: Resolve issues concerning wilderness designation and the damming of Idaho rivers; to guarantee a fair share of anadromous fisheries in the State; incorporate visual quality into forest management practices; reduce poaching of game animals; and upgrade campgrounds and recreation areas.

Unquote.

The draft national forest plans in general recognize a high priority for managing Idaho forests to maximize recreational use potential. Once these plans are finalized, it will encourage further growth and investment in the Idaho tourism and recreation industries. Further delay in the planning process continues the current state of uncertainty as to the future uses of our national forest lands and watersheds. I urge you and the Forest Service to lift the hold on finalizing the plans for Idaho national forests and to turn your attention to providing the budgetary resources to assure that recreational values identified in the forest plans can be developed and fully realized for the benefit of Idahoans and our State's economy.

As you can see, tourism is an industry which relies heavily on Idaho's natural resource and scenic beauty as a foundation. We also support the maintenance and upkeep of these great areas by recognizing the need that moneys must be made available to maintain trail maintenance and wildlife management. We, as an industry, do this not only with tax dollars, but with the highest sense of regard for the need to develop, preserve, and maintain the great natural resource areas of Idaho in relation to the State's economy.

Thank you.

Senator **McClure**. Thank you. Mr. Krumpe.

STATEMENT OF EDWIN KRUMPE

Mr. **Krumpe**. My name is Edwin Krumpe. I am an associate professor of the University of Idaho, College of Forestry, Wildlife, and Range Sciences, and I teach in the department of wildland recreation management. I also serve as director of the university's wilderness research center. I'm a resident of Idaho, and in my personal life I currently serve as vice president of the Moscow Chapter of the Idaho Conservation League. I speak on the conservation panel at this hearing today not as a special-interest representative, but as a resource professional with some expertise on the topic of the hearing today.

I appreciate you holding these hearings and the opportunity to speak today. I will try to quickly summarize eight points that I make in my written testimony.

The first point is this: Idaho is in transition right now, and we must be prepared to cope with this transition. Many Idahoans want to retain our resource-dependent lifestyle as well as our resource economy. But there are changes occurring in how we work and live, often driven by forces beyond our immediate control. We need to prepare ourselves to go forward, making the best of opportunities as they arise, and not being limited by a nostalgic approach that seeks to project the past into the future.

Point 2 is that Idaho's timber supply is changing, and we will be more dependent on national forests in the future. Privately owned timber is being rapidly depleted, and there may be a shortfall for several decades as much of the old growth and the most accessible private supply has already been harvested. Therefore, there will, of necessity, be an increased reliance on the national forests for a supply of raw materials to sustain the industry.

Point 3 is that reliance on the national forest timber will mean that there will be new rules to live by—logging practices will have to be cost effective and environmentally safe. Timber sales on the national forests will of necessity reflect the broader sustained yield, multiple-use goals of longstanding public law and policy which have been incorporated into these forest plans.

Regardless of what the allowable cut will be, the sales which will be offered will be constrained in size, shape, species, location, and prescribed harvest practices. These constraints will be prescribed in the forest plans by the necessity to protect water quality, to enhance wildlife habitat, to maintain scenic quality, to protect threatened and endangered species, and other sound resource management goals which must coexist with our timber industry.

The fourth point is that the timber economy will provide fewer jobs despite high levels of productivity. This is a result of the timber industry's efforts to modernize and become more efficient. But no matter what the allowable cut, the number and type of jobs in the timber industry will be less than in the past because of improved harvest machinery, technology in the mills, and harvesting techniques.

In other words, it will no longer be business as usual. So when we look to the allowable cut in the forest plans as a way to sustain those economies and lifestyles, we must recognize that the jobs required in the industry will be fewer and the economies will be affected differently than in the past.

The fifth point is that fish and wildlife industries, important to Idaho's lifestyle and economy, depend upon the national forests and on environmental quality. The fish and wildlife industries, as the other speakers mentioned, are growing and expanding, as is the outfitter and guide industry. And likewise, the sale of hunting and fishing licenses, and guns and ammunition, fishing tackle, boats and motors, and other products associated with the sporting goods are all growing.

Hunting and fishing will become even more important in Idaho as the opportunities in the rest of the Nation diminish. But it is the quality of these resources upon which this fine hunting and fishing industry and tourism-related industry depends.

My sixth point is that tourism, which is Idaho's fastest growing industry right now, also depends upon the high quality of our natural resources. This includes the outstanding scenic beauty and the previously mentioned environmental quality with which we're so richly blessed. For recreation-related industries, the scenic beauty and perceived pristine quality of our outdoors is an important resource, every bit as important as the commodities normally produced from our forests. This quality must be recognized and perpetuated in concert with our extractive industries.

A seventh point is the key to long-term healthy local economies is a diversified economic base. The real question, as I see it, is not how large is the allowable cut, but is it of such size it will not unnecessarily jeopardize the fish and wildlife, our water quality, our scenic beauty. We need the diversity of these many industries that thrive on our natural resources.

My eighth point and final point is we must consider all the effects on our economy of the allowable cut on the national forests. Increasing the allowable cut to enhance local economies by expanding the timber industry is shortsighted if it thwarts these other growing segments of the economy. We would do better to seek ways to increase the demand for our timber products than simply focus on increasing the supply.

So in conclusion, we must not let Idaho's economy be held hostage by single interest groups from any quarters that are unwilling to address constructively the need for access to our national forest timber, the growing importance of fish and wildlife and natural resource-based travel and tourism, and maintain an environment on which all of our future depends. If we overcut our forests today, future generations will pay the price. Instead, let us protect our resource-dependent lifestyle by adopting forest plans which take a balanced approach to producing diversified, long-range benefits from all the natural resources—and future generations will be the richer.

Thank you.

PREPARED STATEMENTS

Senator McClure. Thank you. Before going to Senator Symms, we will insert all the prepared statements in the record.

[The statements follow:]

STATEMENT OF KEITH E. CARLSON

I am the District Chairman, North Central District, Idaho Wildlife Federation and the President, Lewis-Clark Wildlife Club, Inc., Lewiston, an affliated club of the Idaho Wildlife Federation and the National Rifle Association.

I have participated in the forest planning process with both the Clearwater and Nez Perce National Forests. Our formal comments on these draft plans and accompanying draft environmental impact statements are on record and copies are a part of my written statement.

The National Forest Management Act of 1976 and other related legislation govern the forest planning process and the management of our national forests. This act, along with others, establishes the multiple use concept and the forest service responsibilities in planning for all forest uses and activities. The forest supervisor and the regional forestor must balance the many, often competing, uses of the forest lands and resources in developing the final forest plan.

During the forest planning process the public and representatives of the many interest groups have provided a great deal of input to the forest supervisors and their staffs. The areas of disagreement among these groups receive much attention from the media and our elected representatives. Receiving much less attention are the many areas of agreement. Almost forgotten in recent days are the agreements that were reached between the timber industry and the Idaho Department of Fish and Game and such groups as the "prime time players".

During, and after the public input period, many accommodatons and compromises were reached. Federal and state agencies such as EPA, U S Fish and Wildlife Service, Department of Fish and Game and Department of Environment as well as industry and conservation groups have all worked to achieve a final forest plan. The forest supervisor must take all of this and put together a balanced plan that will probably please no one but that will provide management for the whole forest and its resources. This difficult process is now in danger of unraveling.

No single use can be considered separate from the others. All are interrelated.
The economies and people of the local area are also interrelated. We are all effected by timber, agriculture and livestock, and the recreation related industry and their effects upon our way of life. The outdoor life of our region is why most of us are here and why we choose to remain.

A great deal of testimony will deal with the timber economy and local jobs. It is more difficult to show the effects of other forest uses in dollars and cents. Some figures can be established, however. Two of our most important local resources are elk and steelhead.
In 1985, statewide figures show:
67,200 elk hunters
spent 521,100 hunter/days
to harvest 15,500 elk.
resident hunters spent $1.1 million for licenses/tags
non residents spent $3.7 million for licenses/tags.
outfitted/guided hunters spent $7 million on Idaho elk.
22% of this effort was on the Clearwater and Nez Perce forests.
56,362 hunter days on the Clearwater
54,050 hunter days on the Nez Perce

In May 1986 250 sportsmen and women attended a fund raising banquet in Lewiston for the Rocky Mountain Elk Foundation. As a result $6000 has been provided to the Nez Perce National Forest as matching Challenge Funds for elk winter range improvement and $3815 has been provided to the Idaho Department of Fish and Game for the Clearwater bull elk study.

The local importance of steelhead can be shown by these figues from the 1984-85 season.

Clearwater drainage	96,386	days fishing
Nez Perce drainages	72,357	days fishing.
	110,412	days fishing

Millions of dollars are being spent to restore anadramous fish to Idaho. Last year BPA spent $280,000 on the Nez Perce Forest as part of their $1.5 million ten year program to restore fish habitat destroyed by previous mistakes in road construction, mining and logging.

The issue of allowable sale quantity, ASQ, is primarily a timber/forest service number. Sportsmen and the conservation community are interested in the results of timber harvest activities and road building more than the ASQ number.
The forest plan must strike a balance between timber sale levels and the inevitable environmental degradation that results from harvest and road building activities.

The forest plans must also designate lands that will remain undisturbed and not be roaded. Our detailed recommendations for roadless and wilderness lands are contained in our formal responses to the draft forest plans.

The following areas are of critical importance to the conservation community:

- Nez Perce National Forest
  - West Meadow Creek
  - Silver Creek/Pilot Knob
  - Jersey Jack/Mallard Creek
- Clearwater National Forest
  - Kelly Creek/Cayuse Creek/Great Burn
  - Mallard Larkins
  - Elk Summit
  - Fish Creek/Hungry Creek

Of critical importance in the whole discussion of forest plans and timber outputs is the interrelationship of budget items in the forest budgets. An increase in the ASQ and in road mileage will require not only increased timber and road budgets but corresponding increases in funds for monitoring the environmental effects of these disturbances, mitigation funds, and in fish and wildlife budgets. Research budgets for projects that will improve our ability to log and build roads with minimum damage must also increase.

The current holdup of the forest planning process to consider cumulative economic impacts of timber outputs delays the entire process and will cause important delays in the ability of the Forest Service to develop new areas for timber/road development.
Until final approval of the forest plans or passage of a wilderness bill for Idaho the current impasse caused by the RARE II court decisions will continue.

LETTER FROM NEZ PERCE FOREST MONITORING TEAM AND IDAHO WILDLIFE FEDERATION

May 15, 1985

Mr. Tom Kovalicky
Forest Supervisor
NezPerce National Forest
Rt. 2, Box 475
Grangeville, Idaho 83530

After careful review of the proposed forest plan and draft E.I.S., the Idaho Wildlife Federation commends you and your staff for a fine effort at attempting to balance the diverse interests vested in the NezPerce Forest. Further, we wish to thank you for the courtesy and consideration shown our representatives at each of the public meetings held over the past two months.

While we understand the Alternative G is your preferred alternative, the Idaho Wildlife Federation recommends you adopt Alternative C with modifications. Our specific comments and recommendations are provided below:

Timber Harvest

The allowable cut of 102 mbf is not justified. A linear regression analysis shows only a 42% correlation between program sale quantity and volume sold, yet the figure of 102 mbf appears based on past program sale quantities. Trend line analysis for the ten year period of 1974-1983 shows a minus 60% correlation of a time line to volume sold, indicating diminished rather than increased sales are more likely. A trend line for the period 1980-1985 shows a minus 66% correlation with a mean of 72 mbf and a standard deviation of 17.26 indicating that at the very most, an annual program sale quantity of 90 mbf per year is justified and a program sale level of 74-85 mbf, achievable under Alternative C, should maintain jobs in Idaho County without destroying key roadless areas. The long term sustained yield attained by Alternative C is 197 mbf annually, a decrease of less than 5% from the preferred alternative and greater than any realistic appraisal of future demand, given present data.

No data was found in the plan concerning actual timber cut. According to our figures, some 300 mbf of sold, uncut timber is standing in the NezPerce Forest, indicating an average annual cut over the past ten years of about 55 mbf. It is recommended that allowable timber cut, and subsequent roading plans be based on timber sold and timber cut rather than on past quantities offered. Further, it is recommended that the D.E.I.S. include figures on timber cut over the past five years.

Budget

Alternative G assumes a 16% budget increase, an invalid assumption. Recent experience would indicate budget decreases as more likely. The Idaho Wildlife Federation is concerned that promises made within the plan, predicated on the proposed budget, will be unattainable, and the short falls will be absorbed in those line items most likely to adversely affect wildlife, fishery management, watershed and the other non-timber, and cattle production interests. The plan must show the public what will occur at various funding levels. The Idaho Wildlife Federation is also concerned that road credits may be used to build roads into roadless areas when proper monitoring and evaluation is precluded by budget cuts. The public must be informed of what construction will be accomplished with appropriated funds and what is planned for road credits.

Monitoring and Evaluation

The monitoring plan shows commendable effort, but falls short of being fully satisfactory. The plan must provide for dissemination of information to the public. The plan should provide for public disclosure of exactly what monitoring and evaluation functions will be limited or terminated by budget cuts or Forest Service Personnel actions such as reductions in force of personnel. The plan should include written quarantees that progression of roading, timber sales and other commercial use of the forests will only be continued or expanded based upon the ability of existing funding and personnel staffing levels to support adequate monitoring, evaluation, and disclosure of information.

Economic Analysis

The economic impact analysis of the alternatives does not include adequate consideration of many important forest related activities. Traditional land exploitation revenue generators such as timber, grazing and mining are given full consideration while other economic values are ignored. The value of tax payer dollars used in forest management and recouped through recreation is almost completely ignored. Tourism, hunting and fishing, river recreation, outfitting and guiding are becoming more important to Idaho and Idaho County. Riggins and Kamiah provide examples of communities with economies evolving away from declining traditional industries toward recreational land use. Over emphasis on past economies may well preclude the future well being of Idaho County.

The entire recreation industry as it emerges in outfitters and guides, sporting goods manufacture and sales, hunting, fishing, river rafting, back packing and a variety of other enterprises needs to be given the same weight of emphasis as traditional industries have been. Timber sales have been projected in detail. No such attention has been given to what we feel may be the economic future of Idaho County. One outfitter and guide in the NezPerce Forest generates $300,000 annually, yet no consideration is given to this important revenue source.

Big Game Habitat Versus Timber

Insufficient economic and esthetic value consideration has been given to elk, moose and other big game when compared to timber production. Figures used for the value of elk are outdated and need to be updated. The local population has a life style that places high value, both esthetically and economically on elk and other big game. These need to be given more realistic weight in comparison to timber, mining and grazing.

Roadless Areas

The E.I.S. does not meet the requirements of California versus Block in the 9th Circuit Court of Appeals to adequately assess the wilderness values foregone by roading in Rare II areas. A full evaluation of tourism, recreation, wildlife, water, soil, etc., must be made for each Rare II area. A complete E.I.S. will assist in developing a more adequate designation of roadless areas.

In addition to Rackliff-Gedney 1841, East Meadow Creek 1845D, and Rapid River 1922, the Idaho Wildlife Federation further recommends that West Meadow Creek 1845C, Silver Creek-Pilot Knob 1849, Jersey-Jack 1921 and Mallard Creek 1847 be retained in their present roadless state.

West Meadow Creek

Whereas there was no economic analysis mentioned in the D.E.I.S. as to the loss of economy to the two outfitters operating in West Meadow if this pristine area was to be roaded, as the forest plan indicates, the Idaho Wildlife Federation feels any additional roading to be unacceptable in the upcoming decades. The earlier study of soil suitability done by the Forest Service in this area along with the importance of the anadromous fish resource and lack of a "worse case" evaluation should further strengthen any opposition to roading this area.

Silver Creek-Pilot Knob

Taking into account the extensive roading and logging of Newsome, Leggit, Peasly and Clear Creeks surrounding this area, any further roading would be very detrimental to the remaining elk and moose populations. In the past, Silver Creek and the surrounding area contained one of the largest elk herds in the NezPerce Forest. Silver Creek is the last haven for what remains of this herd.

Any soil siltation other than natural could have very adverse effects to the resident fishery on Silver Creek.

Jersey-Jack

In accordance with the recent decisions of the 9th Circuit Court of Appeals, this roadless area should remain so. The Idaho Wildlife Federation contends that the Noble Creek road as planned is also in violation of this decision.

Mallard Creek

The Idaho Wildlife Federation believes that the scenic values of this region outweighs timber values. Additional roading will adversely impact visual qualities.

Reforestation

The long-term sustained yield is dependent upon successful reforestation on a timely basis. Past performance indicates that not all attempts will meet with success. The plan must address procedures to adjust allowable cut when reforestation fails or falls short of expectations.

"A fundamental objective of forest management is a regulated forest. In a regulated forest the acres of land occupied by each age group, up to some rotation age, are approximately equal." (D.E.I.S., pp. III-35) Further study on the impact of single age, single species management needs to be included in the D.E.I.S. to show the impact of this policy on game management, watershed management and riparian environment.

The evidence from past efforts to manage Idaho forests as other than multi-age, multi-specie forests is far from supportive of the validity of this policy. More realistic definitions of suitable timber lands and a commensurate reduction in road building and timber development on genuinely unsuitable lands is necessary.

Road Construction - Road Closure

No map of proposed road construction has been provided for either the first decade or the fifty-year period. The public needs to see both the location of proposed roads and the intensity of roading in order to effectively evaluate the plan. On the surface, the proposed 40% increase in road mileage is unnecessary to meet an allowable cut of either 74 mbf or 102 mbf. Advance road building in this area of budget austerity will in all likelihood create an unsupportable maintenance load and is therefore contraindicated. The Idaho Wildlife Federation is concerned that road credits will be allowed and used to build roads that are beyond budgetary capabilities of the Forest Service to properly monitor and evaluate. Some guarantee must be included in the plan that road credits will not be allowed if man power and/or budgetary restrictions preclude proper inforcement of environmental standards over either the roads or the timber cuts for which they are built.

According to your forest economist, the discount rate for road construction is 4% based on a sixty-year average of discount rates. This rate is patently inappropriate in an era when interest rates routinely are three or four times higher. A more realistic discount rate should be used in cost factoring road construction. It is also important that environmental quality standards and mitigation costs continues to be included in road construction projections.

Advance road construction is further contraindicated by the problem it will create in road closure to protect big game range. The D.E.I.S. should take into account the tremendous increase in recent years of off-road capable two, three, and four-wheel vehicles. The proliferation of all-terrain vehicles has not been effectively deterred from abusing road closures in a forest with

2,050 miles of road. The plan must specifically address how road closures will be effective with 6,000 miles of road. The Idaho Wildlife Federation submits that unless road closures are effective, no amount of "habitat improvement" will improve elk survivability.

The Idaho Wildlife Federation appreciates this opportunity to review and make comment on the proposed plan. It is sincerely hoped that our comments will be received as constructive criticism. We look forward to working with you and your staff in developing a final plan and E.I.S. We are certain that through continued cooperation we can develop a plan that will meet the many varied interests associated with multiple use.

Sincerely,

Kent Henderson

NezPerce Forest Monitoring Team
Idaho Wildlife Federation

LETTER FROM KEITH E. CARLSON, BRUCE WYATT, AND KENNETH FITZGERALD, DISTRICT NO. 2 WILDLIFE FEDERATION

12 September 1985

Forest Plan
Clearwater National Forest
Orofino, Idaho 83544

Dear Supervisor Bates,

We have carefully reviewed your proposed forest plan and the supporting draft environmental impact statement. Idaho Wildlife Federation members have attended each of the public open houses. You and your staff have done a commendable job under difficult conditions. We appreciate the difficulty of attempting to develop a true multiple use plan for a forest with the diversity of interests found in the Clearwater.

After a careful review of the alternatives, District 2 of the Idaho Wildlife Federation recommends that your final plan adopt Alternative F, with some important modifications. Included herein are our comments and recommendations for changes and improvements.

Legal Sufficiency of the Plan

Others will address lack of complete compliance with existing law and regulations. The District is not satisfied that all the alternatives meet the requirements of NFMA 219.12(f-g) and NEPA . The alternatives seem to evaluate wilderness and timber values against each other but do not adequately consider other values such as wildlife, fish and recreation. The economic considerations and analysis are neither complete nor valid. Unsuitable and uneconomic lands are not sufficiently addressed as required by Section 6k of NFMA.

Land Allocation

Alternative F more nearly provides appropriate land allocation. District 2 feels that the Wilderness Coalition proposal for wilderness designation of 58,000 acres of the Elk Summit area is a logical extension of the Selway-Bitterroot Wilderness.

Kelly Creek Area. The preferred alternative completely ignores years of public input regarding the Kelly Creek area. The Idaho Congressional delegation recognized this in drafting their 1984 Wilderness proposal. The Toboggan Creek and Monro Creek drainages are important tributaries to the Kelly-Cayuse system and must be protected from any roading and timber development. The modest timber values in this area in no way justify risking the tremendous fish and wildlife resource.

Elk Summit. The excellent moose habitat in this area supports Idaho's best moose population. This population has great public value for both non-consumptive viewing and for hunting. Neither the Forest Service nor the Idaho Department of Fish and Game has done sufficient research on moose and their habitat requirements. The preferred alternative opens large portions of the area to roading and timber harvest and places the moose population at risk.
The White Sand Creek drainage is extremely valuable for both steelhead and chinook spawning. Because of private ownership of nearby lands it is imperative that forest lands be protected to minimize possible degradation to this important anadramous fish resource.

Timber

The proposed allowable cut of approximately 150 mmbf is realistic in view of past and probable future demand in the first decade. This level of timber sales in decade one can be met by any of the alternatives without extensive road building and intrusion into roadless areas. The plan must consider the first decade effect of timber returned to the forest under the Timber Sale Modification Act of 1984.
The fifty year projection of 442 mmbf long term sustained yield is a sale level without any economic justification. The unfortunate recent events caused by the closure of Potlatch Corporation lumber and plywood operations indicate how tenuous and fragile the timber economy can be.
While it is recognized that timber must be managed on a long term basis, it must also be recognized that the forest plan is for a 10-15 year period. There is no current economic justification or demand for timber in the first decade that indicates we must destroy substantial acres of roadless areas. Investing in an expensive and potentially damaging road network without a demonstrated demand for additional timber is irresponsible.
Current reforestation needs on the forest are estimated at more that 100,000 acres. The bulk of this is land that has not recovered from the burns of 50-75 years ago. Consideration must be given to removal of this land from the timber base. If natural reforestation has not taken place in over 50 years, it is now appropriate to consider that this land is not suitable or economic for timber production.
The Federation finds it curious that a large amount of the projected timber harvest comes from lands under winter range (C-4) and riparian zone (M-2) prescriptions. The cut of 34.4 mmbf for decade one in C-4 areas is more than 22% of the allowable cut. This increases to 45.5 mmbf in decade two. The figures for riparian zones show a cut of 17 mmbf for both decades. This represents more than 11% of the cut altho riparian zones represent less than 7% of the forest.
The forest standards for old growth represent a good starting point for recognition that these areas are of vital importance to much of the forest's wildlife.

Water Quality Standards

The water quality standards for sedimentation and fish habitat potential are an excellent starting point and indicate recognition of the origins of the Forest Service as the protector of our watersheds. The impact of the Forest as a producer of anadramous fish is felt thruout the Northwest. Many of the coldwater fisheries have gained national recognition and are becoming increasingly important to the local recreation industry.

Consideration should be given to developing standards for dissolved oxygen and water temperature in addition to sedimentation levels to more accurately indicate fish potential.

Monitoring

The monitoring program laid out in the proposed plan/EIS is a good beginning. Adequate monitoring is the key to implementation of the plan. The plan/EIS makes assumptions about technologies and methods that have not been proven in the field. Monitoring will be essential to insure that the environmental results are as predicted in the plan. Without such monitoring the plan can not be implemented. The final plan must contain language that insures that if for any reason monitoring cannot be accomplished, then potentially damaging activities such as road construction, logging and mineral development must be suspended. Budgets and personnel levels must be adequate to support the monitoring plan.

The final plan must address the method to inform the public of the results of implementation of the plan. Monitoring will be of no use unless the results are disseminated to those concerned.

Continued funding of cooperative studies will be necessary to insure that wildlife is, in fact, responding as predicted by the plan. This will be important with regard to moose, Rocky Mountain goats, endangered and threatened species, indicator species and continued study of elk.

Budgets

The Achilles heel of the plan/EIS is the assumption that funding will be available to fully implement the plan. In these days of huge federal deficits and budget battles it is not realistic to anticipate a large increase in the Forest budget. In at least the near term, timber sales revenues will not be as large as projected in the plan. The plan must specify what effect reduced revenues and appropriations will have on implementation. Traditionally, timber and roads have been funded at higher levels than reforestation, controlled burning and maintenance. The plan must contain assurances that the balance between resources is maintained.

Roads

A major concern is the tremendous new road mileage proposed in the preferred alternative and all other alternatives. This is largely due to the unrealistic LTSY figures in the 50 year projection. This has already been discussed. The final plan must eliminate advance roading into roadless areas until timber demand justifies development. An example of this is contained in the preferred alternative's planned intrusion into the Toboggan Creek area in 1994 with 16 miles of new road and 5 miles of reconstructed road for a projected 12 mmbf of mostly immature lodgepole pine.

Elk studies all show that as road densities increase, elk populations decrease. Forest Service claims that road closures will mitigate the effect on elk are largely unproven as a result of ineffective road closure programs. It is hard to believe that twice the road mileage will be more easily closed than is presently the case.

The tremendous increase in road mileage will place an impossible burden on maintenance budgets. Inadequate maintenance is a primary reason for environmental failure of roads.

No mention is made in the plan of road removal. NFMA Section 8(b-c) requires that roads be restored with natural vegetative cover within 10 years of the end of sales unless they are to become part of the permanent forest road system. The plan should specify which roads will be restored after use to minimize effects on wildlife and watersheds.

Economics

Faulty assumptions and inadequate analysis are used thruout the economic and present net values comparisons and these calculations should be redone.

Use of a 4% discount rate may be prescribed but is not at all realistic. As a minimum, the plan should calculate PNV at a range of discount rates that more closely approximate recent economic reality. RPA values used for wildlife are too low. Recent cooperative studies have shown values as much as 200% greater. In contrast, timber values used in the plan are much higher than recent experience indicates. There is no historical evidence that stumpage rates of the late 1970's are valid and even less evidence to indicate a 2% annual increase in real timber values.

It is not at all reasonable to assume that demand for timber will equal supply at all levels of offered sales.

It is recognized that it is necessary to make assumptions when forecasting the economic future. It is not necessary to slant all assumptions to favor the production of timber over other values.

Recreation/Outfitter and Guides

The plan/EIS does not give adequate consideration to recreation, either as a feature of Idaho life or as an important industry. Recent studies indicate the outfitter/guide industry is becoming of increasing economic value to the region. Tourism of all types is one of the few bright spots in the current economy and must receive greater consideration. Recognition must be given to the impact of the forest on the recreation needs and economies of the larger region. The forest is economically important to more than just the six counties primarily effected by the timber industry. Spokane, Missoula and all of Northern Idaho are effected. An effort should be made to reflect the economics and jobs effected in this larger area.

The members of the Federation who have worked on the Clearwater Forest plan thank you and your staff for the hospitality and cooperation you have shown us. We look forward to a continued opportunity to work with you in trying to solve the difficult task of finding an acceptable plan. We remain confident that the job can be accomplished.

Respectfully,

Keith E. Carlson

Bruce Wyatt

Kenneth Fitzgerald

[From the Valley American, Aug. 20, 1986]

AS I SEE IT

Recently, Peter C. Myers, Assistant Secretary of Agriculture for Natural Resources and Environment, ordered several Forest Management Plans for National Forests placed on hold in order that the Forest Service "Carefully assess: (1) how the proposed sale level of one National Forest cumulatively relates to those of other forests within the economic region and (2) how the total National Forest sales level relates to supply projections and possibilities from other forest ownerships." This message, apparently generated at the behest of the forest products industry, was greeted by the local logging community with great enthusiasm.

Many within the wood products industry were becoming concerned that the allowable timber cut on National Forests would be reduced if the plans were published and implemented. While this true, before anyone simply blames this development on "those damned environmentalists" and throws the plans out, there are some factors that deserve careful consideration.

The Forest Service was initially established to protect watershed, without which we stand to lose far more than allowable sales quantity of timber. In addition to potable water for human and stock consumption, as well as water for agriculture, our watershed is essential for our anadromous and resident fisheries. If Peter Meyers is truely concerned about Natural Resources and Environment, he would do well to order studies of the cumulative effect of a realm of activities, including logging, mining and hydroelectric projects in National Forests on the anadromous fishery.

The National Forest Management Planning Act, which required that the plans be developed, was passed in order to assure that the forests are managed for all their assets and use communities, not just a handful of lumber companies. The concept within which the Forest Service operates in "multiple use" not "logging first, everything else maybe." Hence, if the allowable sale quantity cannot be kept high without damaging other values, then it is the sales quantity that should be adjusted. The Forest Service is obligated to manage the forest in purpituity, assuring that future generations are not impoverished by over-exploitation now. I, for one, have no desire to be remembered by my grandchildren as belonging to "that greedy generation that stole our future."

In the past, according to

present and past forest service personnel, insufficient attention was often paid to gathering accurate data on available timber and on accurately projecting future availability. These are difficult tasks involving painstaking, man hour consuming work, and were augmented with considerable guess work. The recently completed Forest Management Plans have culminated with the conduct of the first detailed, accurate study of the timber resource in many areas. What they reveal is fewer trees than previously estimated.

The most accessable, economically feasable timber in Idaho was the first harvested. With little regard for future generations, (or sometimes with a conscious desire to turn unwanted forest into pasturage and farmland), regrowth was not aggressively promoted. We are now faced with a situation wherein avaiblable timber is often less accessible, more difficult, and environmentally more dangerous to exploit. Management studies have revealed that on Forest Service land, many harvested areas (particularly large clearcuts) are not regenerating as planned, yet they remained in the timber base where they served to inflate allowable sales quantities. When forest managers took the closer look required by the National Forest Management Planning Act, they found fewer trees than they thought. The closer they look, the fewer trees they are likely to find. The main reason for reduced annual sales quantity of timber is that when the forest is managed for all its benefits and in compliance with the needs of future generation the board footage is just not there-and no amount of political manuvering or bureaucratic mandating will change that.

STATEMENT OF MICHAEL DALY

Good afternoon, I am Mike Daly, owner/operator of Bugle Point Outfitters, The Wildlands Survival Institute and the Elk Head Ranch in Elk City. I have been invited today under the category of environmentalist, I am, however, a businessman in direct relation with the Nezperce National Forest, as an outfitter and cattle rancher.

During the Nezperce Forest Planning process, I worked closely with the planning team and spent many hours reading and digesting the draft E.I.S. and 10 year plan. It is my opinion that all National Forest Management Acts were complied with and due process served. One of the first criteria incorporated in the Forplan was community stability. The final plan has provided a stable balance between all resources. It seems inconceivable to me that after the timber industry was involved in the process, they now cry wolf and spend our desperately needed revenue in a political ploy. This seems even more inconsistent considering in the six year average from 1979 - 1984 the Nezperce offered 102 mmbf of timber and with 83 mmbf sold and only 65 mmbf harvested annually. It seems to me that the problem of the timber industry in the Nezperce is not one of supply but one of demand.

Sentator McClure, I refer to your letter of invitation of today's hearings and I quote, "The Idaho economy is a natural resource based economy which consists primarily of timber, mining and agriculture", unquote. You have quite obviously ignored recreation and tourism, which is currently ranked as number three in revenues returned to the state at $1.2 billion. Recreation and Fish and Game are a self renewing resource in our National Forests and is currently the only growing industry in our state and I refer to studies conducted by the ITC and the U.S. Travel Data Center in Washington, D.C. Timber, mining and agriculture are all in a decline or stagnant. Recreation and tourism is growing despite our political representation in Washington, D.C. not recognizing that it exists.

The Nezperce National Forest has been very progressive in offering well designed timber sales using the Peterson's Model and the Value Analysis approach. They maintain community stability by continuing to offer below cost timber sales. The directive by the Secretary of Agriculture for the Forest Service to complete a North Idaho Cummulative Impacts Analysis is estimated to cost an additional one half million dollars. The report will be redundant upon completion, as statewide impacts were detailed in Regional Guide Lines which preceded the planning process and in the Resources Protection Act. The Nezperce Forest worked three and one half years preparing a balanced plan at a cost of one million dollars. By now stepping outside the process, taxpayers are again asked to pay.

I have attached a copy of my letter to the planning team of the Nezperce National Forest, which outlines the concerns I felt were of importance. The Nezperce provided an unbiased party to conduct the prime time player's meeting and to analyze the uses and maintain a good balance within the forest, as well as provide stability within concerned communitues. I commend Tom Kovalicky and his staff for their professionalism.

I respectfully recommend that the Secretary of Agriculture immediately release the Nezperce National Forest Final Plan for final distribution. It is vital to all industries to resolve the current situation and proceed with a productive future.

Thank you.

ATTACHMENT I

August 6, 1986

Mr. Mike Daly
Bugle Point Outfitters
Elk City, Idaho 83525

Dear Mike:

The Idaho economy is a natural resource based economy which consists primarily of timber, mining and agriculture. These industries are so dependent upon natural resources, that the Forest Service planning process can have a significant effect on the economic well-being of Idaho communities. The Assistant Secretary of Agriculture recently put a hold on all pending forest plans in Idaho, Washington, Oregon and northern California until the economic effect of the plans on local communities can be determined.

Because this issue is so important to Idaho, I am pleased to announce that the Senate Appropriations Subcommittee on the Interior and Related Agencies will hold a hearing in Grangeville on August 22. The purpose of the hearing is to examine the effects of current national forest planning efforts on timber dependent communities and on the economy of the State of Idaho.

I will chair the hearing and have been informed that you would be willing to present testimony. I therefore take this opportunity to invite you to participate in the hearing. Due to the limited amount of time available for the hearing, the number of witnesses and the time allotted to each must be restricted. Oral testimony will be limited to five minutes. However, longer written statements may be submitted for inclusion in the official hearing record.

Witness panels will be organized for the purpose of maintaining an orderly hearing and sufficient discussion time will be allowed for further questioning. A list of panel participants will be posted at the hearing.

If, for some reason, you are unable to participate in the hearing, please let my staff know as soon as possible. Should such a case arise, I will be glad to consider your recommendation for a substitute. If you have any questions, please contact either Carl Haywood or Lee Broadfoot of my Washington staff at 202-224-2752.

In order to provide for an orderly hearing, please have ten copies of your prepared statement available for the Subcommittee the day of the hearing. I would also suggest that you provide additional copies for members of the press.

The August 22 hearing in Grangeville will be held at the Grangeville Elks Lodge from 3:00 p.m. to 6:00 p.m.

Thank you for your interest in participating in the hearing. I look forward to hearing your testimony on this important Idaho issue.

Sincerely,

Jim McClure

James A. McClure
United States Senator

ATTACHMENT II

May 23, 1985

Forest Plan
Nezperce National Forest
Route 2 Box 475
Grangeville, Idaho 83530

Attention: Forest Planning Team

We have attended numerous meetings and studied the DEIS and proposed Forest Plan and the entire process has been an education. We want to commend all the forest personnel for giving us the utmost courtesy and prompt assistance with our concerns. We feel the following statements are highlights of conflicting issues that would be detrimental to our personal business, the outfitting and tourism industries as well as the local communities and national fisheries industry.

It is my professional opinion as a Registered Professional Civil Engineer, that the technology nor economics are available to construct roads and harvest timber in West Meadow Creek without causing irreversible damage. I also question the suitability of these lands to muliple use.

Current trends in Washington, D.C. are to reduce our national debt. It is an unreasonable projection that the Forest Service will receive an increase of 15 to 20% in annual budgets. An increase in roads budget would be needed to build the proposed 300% increased miles of roads that Plan "G" proposes. Roads in North West Meadow Creek would cost a minimum of four times hard money roads currently constructed outside this drainage and only be predicted to mitigate 60 percent sedimentation with the application of best management practices and strict monitoring of all contractural agreements (page C-84 DEIS).

Chapter II page 11-12 (proposed plan) indicates that current Lands System Inventories and Soil Surveys are not completed. The 1975-76 Land System Inventory indicated that a major portion of the north west corner of West Meadow Creek was associated with the Wallace Schist bedrock and is classified as mass wasting. Geology studies stated, "Steepness of slopes, ground water, bedrock and soil conditions are major factors affecting slope stability. Where planes of weakness in bed rock such as joints or fractures, foliation planes or fault planes have an adverse attitude, road building or timber activity could be hazardous". The survey which covered the major part of the West Meadow Creek indicates a high percentage of hazardous area due to combinations of these factors.

Appendix K pages K-10 and K-16 schedule timber sales into the headwaters of Dent Creek and Little Boulder Creek during 1989 and 1992, with road entries prior to these dates. Forest Service Study (Pfankuch, 1975) evaluated Dent, Little Boulder, Anderson and a portion of Five Mile Creeks stream channel conditions as poor and incapable to adjust and recover from potential changes in flow and/or increases in sediment production.

Chapter III, page 111-47 of the proposed Forest Plan and the Forest Plan Management Area Map designates the aforementioned creeks management intent 12B with goals to manage for roaded natural recreation. Given the past geology studies and land system inventories, in conjunction with the monitoring and evaluation requirements assigned to Management 12, it is impossible to mitigate 90 percent fishery habitat. Meadow Creek contributes 16% of the Selway's 47% Steelhead wild fish smolts to the forest. After considering past years disease situation and the current reduced steelhead return, the value of Meadow Creek should be greatly escalated.

Proposed Forest Plan, timber schedule (K-10) to be harvested during 1989 in Green Ridge will dramatically affect the moose population in the region, as well as other wildlife. The Green Ridge area contains Pacific yew stands that have been referred to as larger diameters and thrive in greater density than probably anywhere in the Northern Rockies. This stand of Pacific yew has an overstory of mature grand fir that when removed will destroy the Pacific yew and serve to destroy prime moose habitat.

Timber harvest projections are based on unrealistically inflated timber uses. Currently the timber industry is in a decline and economic futures do not project any stabalization of this industry for the next ten years. This economic forecast cannot be blamed on wilderness, roadless areas or the lack of viable timber. Because of the high value of our American currency, it has become more advantageous for the foreign timber industries to be able to assume a large portion of the timber market. The United States witnessed this same trend with our steel and oil industries just a short few years ago. We sympathize with the timber industries economic dilemma and as concerned citizens, would offer any assistance that we as an industry could provide. However, we do not see any resolve in continuing to offer an inflated timber volume when supply and demand is currently in a regression. This would also reduce the need of spending Capital Investment monies on roads that could be utilized to balance our national deficits. National Forest Timber Values for 1984 (Source: U.S. Forest Service Public Affairs Office, Washington, D.C.) show that the monies received for timber in Oregon and Mississippi are three times greater in value than monies received in Idaho. Large investments in the timber industry will occur in Oregon and Mississippi where a greater return on the investment is possible. The state of Idaho is currently in an economic imbalance where their natural resources are concerned (Revenues to State - timber #5, tourism #3, ITC survey 1984) and desperately needs time to adjust to new trends.

We respectively ask the Nezperce Forest Planning Team to carefully reconsider all the natural resources on the forest and to address current trends and values. Also, we ask the Forest Service to address the Outfitting Industry as a viable industry in their planning process and to include outfitting and tourism in the Forplan.

Upon careful review of all alternatives offered, we recommend the Nezperce National Forest adopt Alternative "C". If Alternative "C" is not totally acceptable, we suggest modifing Alternative "G" by reducing the volume of timber offered to a reasonable level (75 to 85 mmbf) and delaying road entries into unroaded areas to maintain our valuable back country units such as East and West Meadow Creek, Jersey Jack, Big Mallard and Silver Creek-Pilot Knob. Once existing roadless areas are roaded, Idaho Fish and Game will be forced to shorten the hunting season. This in turn will take revenue away from the state which should also be included in the economic evaluations.

Through the upcoming months, we would appreciate the opportunity to work on a planning team or in any manner the Forest Service proposes to resolve conflicting interests.

Sincerely,

Mike Daly

Mike and Karen Daly
Bugle Point Outfitters

ATTACHMENT III

TIMBER SUPPLY DATA FOR IDAHO NATIONAL FORESTS

	Backlog (mmbf)	ASQ (mmbf)	Six-year Average (1979-1984) Offered (mmbf)	Sold (mmbf)	Harvested (mmbf)
Panhandle	800	250	289	274	209
Clearwater	480	150	161	133	137
Nezperce	180	102	102	83	65
Payette	250	74	70	61	50
Boise	230	78	102	67	75
Sawtooth	7	12	17	13	12
Challis	5	3	4	3	4
Salmon	20	21	32	22	17
Targhee	185	97	83	62	75
Caribou	18	10	18	16	16

Backlog figures are as of July, 1986, and were obtained by personal contact with each forest. Six-year average figures for offered, sold, and harvested volumes were obtained from Office of Timber Management, U.S. Forest Service, Washington, D.C. ASQ (mmbf) refers to the draft plan average allowable sale quantities.

STATEMENT OF MICHAEL SMITH

GREETINGS SENATOR MC CLURE, FELLOW CHAIRPERSONS AND COMMITTEE MEMBERS: FIRST OF ALL LET ME SAY THAT I AM HONORED TO BE PRESENT BEFORE YOU TODAY TO SPEAK ON A SUBJECT THAT IS OF MAJOR IMPORTANCE TO IDAHO'S ECONOMY AND THE FUTURE OF HER NATURAL RESOURCES. I AM SPEAKING SPECIFICALLY ON THE TOURISM INDUSTRY IN IDAHO.

WITH ALL DUE RESPECT FOR THE CURRENT ECONOMIC HARDSHIPS THAT SOME OF IDAHO'S MAJOR INDUSTRIES, AGRICULTURE, MINING AND TIMBER, ARE CURRENTLY FACING, I WOULD LIKE TO POINT OUT TO YOU THAT TOURISM IS ALIVE AND DOING VERY WELL IN IDAHO'S ECONOMY. IT IS WITH THIS IN MIND THAT I WISH TO SUBMIT THE FOLLOWING INFORMATION ON THE GROWTH OF TOURISM IN IDAHO. THIS INFORMATION WAS OBTAINED FROM THE U.S. TRAVEL DATA CENTER IN WASHINGTON D.C., ONE OF THE MOST RESPECTED AND CREDIBLE INSTITUTIONS IN THE TRAVEL INDUSTRY.

A. NATIONWIDE, TOURISM HAS BECOME ONE OF THE FASTEST GROWING INDUSTRIES. IN IDAHO, IT HAS GROWN TO BECOME THIS STATE'S THIRD LARGEST INDUSTRY.

B. FINANCIALLY, TOURISM GENERATES YEARLY:

1. A TOTAL OF 1 BILLION DOLLARS IN INCOME.

   A MORE THOROUGH BREAKDOWN OF THIS FIGURE SHOWS:

   $106.3 MILLION WAS GENERATED FOR OUR PUBLIC TRANSPORTATION SYSTEM

   $126.1 MILLION FOR THE AUTO TRANSPORTATION SYSTEM

   $114.1 MILLION FOR THE LODGING INDUSTRY

   $398.1 MILLION FOR THE FOOD SERVICE INDUSTRY

   $67.9 MILLION IN THE ENTERTAINMENT AND RECREATION INDUSTRY

   $94.7 MILLION FOR THE GENERAL RETAIL TRADE INDUSTRY

2. TOURISM IN IDAHO HAS GENERATED APPROXIMATELY 48 MILLION DOLLARS IN FEDERAL TAX RECEIPTS, 40 MILLION DOLLARS IN STATE TAX RECEIPTS, AND 5 MILLION DOLLARS IN LOCAL TAX RECEIPTS. THIS IS A 31% INCREASE OVER THE LAST TWO YEARS.

C. ECONOMICALLY, TOURISM PROVIDES JOBS FOR OVER 29,000 PEOPLE IN IDAHO, GENERATING A PAYROLL OF OVER $191 MILLION. CURRENTLY, THERE IS NO OTHER INDUSTRY IN IDAHO THAT PROVIDES MORE JOBS THAN THE TOURISM INDUSTRY. THESE FIGURES REPRESENT A 12% INCREASE IN THE LAST TWO YEARS, SIGNIFYING ONCE AGAIN THAT NOT ONLY IS TOURISM ONE OF THE BIGGEST INDUSTRIES IN IDAHO, BUT A TRUE GROWTH INDUSTRY AS WELL.

THESE FIGURES ARE FROM THE 1984, STUDY, AND WE ANTICIPATE THAT THE 1985 FIGURES WILL BE SUBSTANTIALLY HIGHER.

WHILE THE LODGING INDUSTRY IN IDAHO, THROUGH ITS INNKEEPERS AND PRIVATE CAMPGROUND OWNERS, COLLECTS A 2% LODGING TAX WHICH SUPPORTS THE TRAVEL INDUSTRY IN IDAHO, THEY ARE NOT THE PRIMARY BENEFICIARIES OF THIS TAX.

ACTUALLY, THE FOOD AND BEVERAGE INDUSTRY RECEIVES 39 CENTS OF EVERY DOLLAR, MAKING THEM THE MAIN BENEFICIARY, WITH THE TRANSPORTATION INDUSTRY RECEIVING 32 CENTS OF THAT DOLLAR. THE LODGING AND CAMPGROUND INDUSTRY RECEIVES ONLY 15%, WHILE THE RETAIL PURCHASERS RECEIVE 8% AND THE ENTERTAINMENT AND RECREATION INDUSTRY RECEIVE 6%.

IN A 1983 CONVERSION STUDY CONDUCTED BY THE ITC, WE FOUND THAT THE MAJORITY OF VACATIONERS LISTED SCENIC BEAUTY AS A MAJOR MOTIVE FOR VACATIONING IN IDAHO. THE MOST FAVORED ACTIVITIES INCLUDED SIGHTSEEING AND CAMPING. THE THREE THINGS VACATIONERS LIKED THE MOST ABOUT IDAHO IN THAT SURVEY WAS ITS SCENIC BEAUTY, GEOGRAPHY AND PEOPLE. THE COVERSION STUDY CONTINUED TO POINT OUT THAT IN ORDER TO ATTRACT NEW VISITORS TO IDAHO, IT WAS NECESSARY TO FOCUS ON:

- THE VARIETY OF ACTIVITIES AVAILABLE
- PRIVACY AND SOLITUDE
- FRIENDLINESS OF THE LOCAL PEOPLE
- THE LOW COST/HIGH VALUE COMPARED TO OTHER DESTINATIONS AND
- IDAHO'S NATURAL SCENIC BEAUTY

OBSERVATIONS FROM THE 1984 MARCEPT MARKET RESEARCH STUDY ON THE IDAHO SKIER INDICATES THAT THE IDAHO IMAGE WITH THE EXPECTATION OF THE SKIER, SURPASSED THE SKIER'S EXPECTATIONS ON:

- FRIENDLINESS OF PEOPLE
- PRIVACY AND SOLITUDE
- SLOPE QUALITY
- FAMILY SKI FACILITIES
- AND AGAIN, SCENIC BEAUTY

WHAT I WISH TO POINT OUT TO YOU BY QUOTING THESE RESEARCH PROJECTS IS THE VALUE OF SCENIC BEAUTY IN IDAHO.

DURING THE GOVERNOR'S CONFERENCE ON OUTDOOR RECREATION AND TOURISM HELD OCTOBER 30,31, AND NOVEMBER 1, IN MOSCOW, IDAHO DURING 1984, TWO OF THE EIGHT LISTED MAJOR CONCERNS DELT WITH TOURISM AND RECREATION. ISSUE NUMBER 5 STATED, AND I QUOTE, "THIS ISSUE FOCUSES ON THE NEED FOR ADEQUATE AND CONSISTENT FUNDING FOR TOURISM/OUTDOOR RECREATION PROGRAMS, AND STAFF AND RESOURCE MANAGEMENT AT ALL LEVELS OF GOVERNMENT." ISSUE NUMBER 6 STATED, AND I QUOTE, "ISSUES FOCUSING ON RESOURCE MANAGEMENT WERE GROUPED UNDER THIS CATEGORY, INCLUDING THE NEEDS TO; RESOLVE ISSUES CONCERNING WILDERNESS DESIGNATION AND THE DAMMING OF RIVERS IN IDAHO, GUARANTEE A FAIR SHARE OF ANADROMOUS FISHERIES IN THE STATE, INCORPORATE VISUAL QUALITY INTO FOREST MANAGEMENT PRACTICES, REDUCE POACHING OF GAME ANIMALS, AND UPGRADE PUBLIC CAMPGROUNDS AND RECREATION AREAS."

THE DRAFT NATIONAL FOREST PLANS IN GENERAL RECOGNIZE A HIGH PRIORITY FOR MANAGING IDAHO FORESTS TO MAXIMIZE RECREATIONAL USE POTENTIAL. ONCE THESE PLANS ARE FINALIZED, IT WILL ENCOURAGE FURTHER GROWTH AND INVESTMENT IN THE IDAHO TOURISM AND RECREATION INDUSTRIES. FURTHER DELAY IN THE PLANNING PROCESS CONTINUES THE CURRENT STATE OF UNCERTAINTY AS TO THE FUTURE USES OF OUR NATIONAL FOREST LANDS AND WATERSHEDS. I URGE YOU AND THE FOREST SERVICE TO LIFT THE "HOLD" ON FINALIZING THE PLANS FOR IDAHO NATIONAL FORESTS AND TO TURN YOUR ATTENTION TO PROVIDING THE BUDGETARY RESOURCES TO ASSURE THAT RECREATIONAL VALUES IDENTIFIED IN THE FOREST PLANS CAN BE DEVELOPED AND FULLY REALIZED FOR THE BENEFIT OF IDAHOANS AND OUR STATE'S ECONOMY.

AS YOU CAN SEE, TOURISM IS AN INDUSTRY WHICH RELIES HEAVILY ON IDAHO'S NATURAL RESOURCES AND SCENIC BEAUTY AS A FOUNDATION. WE ALSO SUPPORT THE MAINTENANCE AND UPKEEP OF THESE GREAT AREAS BY RECOGNIZING THE NEED THAT MONIES MUST BE MADE AVAILABLE TO MAINTAIN TRAIL MAINTENANCE AND WILDLIFE MANAGEMENT. WE, AS AN INDUSTRY, DO THIS WITH NOT ONLY TAX DOLLARS, BUT WITH THE HIGHEST SENSE OF REGARD FOR THE NEED TO DEVELOP, PRESERVE AND MAINTAIN THE GREAT NATURAL RESOURCE AREAS OF IDAHO IN RELATION TO THE STATE'S ECONOMY.

STATEMENT OF EDWIN E. KRUMPE

My name is Edwin E. Krumpe. I am an Associate Professor at the University of Idaho, College of Forestry, Wildlife and Range Sciences, Department of Wildland Recreation Management, where I also serve as Director of the University's Wilderness Research Center. I am a resident of Idaho and in my personal life I currently serve as Vice President of the Moscow Chapter of the Idaho Conservation League. I am speaking on the "conservation" panel of this hearing today, not as a special interest representative, but as a resource professional with expertise on the hearing topic.

Idaho's College of Forestry, Wildlife and Range Sciences is unique nationally in having six natural resource disciplines under one roof--forest resources, forest products, fisheries and wildlife, range resources, and wildland recreation management. We strive for an integrated view, and our college is committed to a reasoned and data-based approach to natural resource decisions. The Wildland Recreation Management Department focuses on two aspects of resource management. First, park and wilderness management--that is, how to take care of areas already classified as wilderness or park preserves--and second, natural resource tourism, the fastest growing segment of Idaho's economy.

I will address my comments to what I perceive to be the cumulative effects of the forest plans on the local economies of Idaho. We are a resource dependent state; this is one of the most important issues we face. If we are to survive and prosper, we must all work together for maximum, sustained values from Idaho's rich heritage of natural resources. This will require a balanced and reasoned approach that considers the effects our resource management decisions will have on both the natural and human resources of our state, that is, the people who live here, work here, or come to visit Idaho. I would like to offer eight points relevant to our topic today.

1. Idaho is in transition, and we must be prepared to cope with this transition. Many Idahoans want to retain our resource dependent lifestyle [illegible] well as our resource economy. But there are changes occurring in how we work and live, often driven by forces beyond our immediate control. As we evolve further into the information age and a high-tech society, we must remember that the ability to change, respond and adapt is our lifeline for the future. We need to prepare ourselves to go forward making the best of opportunities as they arise and not be limited by a nostalgic approach that seeks merely to project the past into the future.

2. Idaho's timber supply is changing, and we will be more dependent on the national forests in the future. Privately owned timber is being rapidly depleted, and there may be a shortfall for several decades as much of the old growth and the most accessible private supply has already been harvested. There will, of necessity, be an increased reliance on the national forests for a supply of raw materials to sustain the industry. And it appears that, by some estimates, national forests may be unable to sustain the desired mill capacity. We need to face this reality. That is why we have such heightened concern about what level the Forest plans will set for the annual allowable cut.

3. Reliance on national forest timber in light of the current public spotlight on the National Forests will mean new rules to live by--logging practices will have to be cost effective and environmentally safe. Timber sales on the national forests will of necessity reflect the broader sustained yield, multiple use goals of long-standing public law, and policy which are incorporated into the new forest plans. This means that no longer can industry count on being offered the most desirable old growth, the most easily accessible stands, nor on being able to use the large scale clearcutting techniques that may be the quickest or cheapest way to harvest.

Regardless of what the final decision about how large the annual allowable cut will be, the sales which are offered will be constrained in size, shape, species, location, and prescribed harvest practices. These constraints will be prescribed in the forest plans by the necessity to protect water quality, to enhance wildlife habitat, to maintain scenic quality, to protect threatened or endangered species, and many other sound resource management goals which indeed must coexist with timber harvest.

4. The timber economy will provide fewer jobs despite high levels of productivity. This is a result of the timber industry's efforts to modernize and become more efficient. No matter what the allowable cut, the number and type of jobs in the timber industry will be less than in the past. Improved harvesting machinery, modern automated sawmills, and state-of-the-art technology in processing wood products will demand fewer employees, but employees with greater training and strong educational backgrounds.

In other words, it will no longer be business as usual. It cannot be. For our timber industry must make these changes to remain profitible, and survive as they must, to continue to contribute to Idaho's economy. So when we look to the allowable cut in the forest plans as a means to sustain local economies and lifestyles, we must recognize that the jobs required in the timber industry will be fewer and the economies will be affected differently than in the past.

5. Fish and wildlife industries, important to Idaho's lifestyle and economy, depend upon national forests and environmental quality. The fish and wildlife industries of this state are growing and expanding. The outfitter and guide industry, a traditional resource industry, has grown despite periods of inflation, recession, high interest rates and uncertainty. Likewise, sales of hunting and fishing licenses, guns and ammunition, fishing tackle, boats and motors, and other products associated with the sporting goods industry are growing.

Hunting and fishing in Idaho will become even more important because of diminishing opportunities in the rest of the nation. Idaho is the envy of our country for clear, clean streams, magnificient big game herds, and most important, for the overall quality of outdoor life. This reputation is the key to the continued success of our fish and wildlife and related tourism industries. It absolutely depends upon the outstanding quality of our natural resources; the fish and wildlife habitat that has been protected and enhanced: the outstanding water quality in our rivers, streams, and tributaries; the adequate undisturbed habitat for breeding, reproduction and survival of our big game herds.

6. Tourism, Idaho's fastest growing industry, also depends upon the high quality of our natural resources. This includes the outstanding scenic beauty and previously mentioned environmental quality with which we are so richly blessed. For the recreation related industries, the scenic beauty and perceived pristine quality of our outdoors is as important a resource as the typical commodities produced from our forests. This quality must be recognized and perpetuated in concert with our extractive industries.

Let us be clear about the tourism issue. We can't afford the often contrived accusations and debate that pit tourism against our traditional resource industries. We cannot afford to have one natural resource industry at the expense of the other. We need all of them, each in addition to the other. We need to focus on the compatibilities and not on the conflicts.

7. The key to long-term healthy local economies is a *diversified* economic base. The real question is not how large is the allowable cut, but is it as large as it can be without jeopardizing our fish and wildlife, water quality, scenic beauty, or travel and tourism industries. We need the diversity of many industries that thrive on our natural resources.

8. We must consider all of the effects on our economy of the allowable cut on the national forests. Increasing the allowable cut to enhance local economies by expanding the timber industry is short-sighted if it thwarts these other growing segments of the economy. We would do better to seek ways to increase

the demand for our timber products than simply to focus on increasing the supply.

In conclusion, we must not let Idaho's economy be held hostage by single interest views from any quarters that are unwilling to address constructively the need for access to national forest timber, the growing importance of fish and wildlife and natural resource based travel and tourism--with a bottom line of environmental quality on which our future depends. If we overcut our forests today, future generations will pay the price. Instead, let us protect our resource dependent lifestyle by adopting forest plans which take a balanced approach to producing diversified, long-range benefits from all the natural resources--and future generations will be the richer.

Senator SYMMS. Thank you very much, Mr. Chairman. And, Mike, I was just going to comment on your statement. First, I'd just say thanks to all of you for your statements. I can see that a lot of work went into getting them prepared.

But you do make one statement here I think I must make mention of. "Timber, mining, and agriculture are all in a decline." I think we know that. "Recreation and tourism is growing despite our political representation not recognizing that it exists."

I might just point out that, if I recall, before Jim McClure became chairman of the National Resource Committee in the Senate, the price of fuel was around $1.40 a gallon and now it's what out here for buying a gallon of gas, about 75 cents?

Mr. DALY. Still about a buck in Elk City, sir.

Senator SYMMS. How about in Grangeville?

UNIDENTIFIED MAN. 90.9 for regular.

Senator SYMMS. 90.9. And over on the coast it's cheaper where people buy it and drive over here, right? Don't you think that's had many positive impacts on tourism in Idaho, to get the fuel prices down?

Mr. DALY. Our local representation did that for us?

Senator SYMMS. Well, I'm just making a point that, you know, it doesn't help your statement any to say that we're not interested in tourism, because I don't think anyone here is not interested in tourism.

Mr. DALY. It seems to me like it's been ignored in many cases when I myself have written letters to you and I get letters back saying, You're a special interest group, go away.

Senator SYMMS. I don't think I've ever written you a letter.

Mr. DALY. Senator McClure has.

Senator MCCLURE. I wish you'd show me that letter.

Mr. DALY. I have one.

Senator MCCLURE. I'd be glad to see the one you're referring to and the language.

Senator SYMMS. Is it the one here?

Mr. DALY. No; it was at the beginning of this planning process when I told you about West Meadow Creek.

Senator SYMMS. Well, I think all of these things are important and we shouldn't underplay them at all. But I don't see any conflict with a properly managed forest products industry and a healthy tourism industry, because I think if you go back and look at the history when Lewis and Clark came across the local pass there wasn't any game for them, the way I remember it.

Mr. DALY. I believe this is what I said in my statement. I believe the Nez Perce has come up with a balanced program which includes all facets of all the concerned parties.

Senator SYMMS. Let me ask this: If we have a program that calls to cut 48 percent of the growth, are we then overcutting? I guess that's the question that I would ask. Maybe Dr. Krumpe may want to comment on that. I mean, he made the comment we shouldn't overcut. But I ask that question, is 48 percent—if you went up to cutting 60 percent, would you be overcutting what you're growing?

Mr. KRUMPE. That's difficult to answer just sitting here without knowing where that extra amount would be cut. Primarily what they've done is looked at the resource and what the resource can produce and where it can produce it. And we may only have 48 percent up for cut, but you have to realize also that the steepness of the terrain, the fragile soils, the inaccessibility of some of it really affects how you go after that. And that in turn affects how it affects the water quality and the riparian zones and the wildlife.

Senator SYMMS. Well, would it appear, though, that if we can kind of spread out where we cut, that it would be better than trying to cut heavy in one section of the forest and not cutting in another because of some classification?

Mr. KRUMPE. Not necessarily, professionally speaking. In other words, perhaps a little more intensive management, more emphasis on regeneration, replanting, and more intensively managing the growth of the lands we do put up for harvest would—is perhaps a way of the future.

Senator SYMMS. Well, I thank you very much. And I particularly say I find those seven points very interesting and very thoughtful that you make in your statement. I guess that I would hope that there is a common line. And I hope that what I'm advocating, which is to help keep the basis of our resource economy and then build on it for future expansion of our economy in the State with the other smaller cottage-type industries, is not just being nostalgic, but is really within the realm of possibility with better technology, better management techniques, better genetics, and all the things that we have found out.

I would just hope we would produce the fiber off the lands to keep those the basis of those families that live and work in the forest products industry and then expand into these other areas and not have any conflict. That's really what my goal is, and I hope we can work it out so that there isn't a conflict here by saying we're either going to have it one way or the other. I guess what I want is both. I want to keep the jobs, harvest the old dead trees, plant new ones to take their place, and then build on the tourist industry and the other things that complement it.

Now as a guide, don't you do a lot of elk hunting around areas that have been harvested?

Mr. DALY. No.

Senator SYMMS. See, we have one that testified in Emmett this morning that said he wasn't in conflict with the——

Mr. DALY. About one-half of my area has been roaded, and I've shut that down to hunting because it's pretty hard to bring somebody from back East in here and drive up to your camp. I sell packing trips only, and I've lost over one-half of my area already to the roading and clearcutting, and it has not enhanced hunting.

Senator SYMMS. Then in other words, some of the area people, you know, working people here then are driving up here and hunting?

Mr. DALY. Oh, yes.

Senator SYMMS. But it's good hunting?

Mr. DALY. No; it's not near as good hunting as the back country.

Senator SYMMS. OK.

Mr. DALY. The area that I'm concerned with is Meadow Creek. And as an engineer, I can state that once they start cutting roads into there—here you're talking about four to five times the cost per mile to go in there, and you will not be able to mitigate the erosion on them roads.

Senator SYMMS. But I wonder——

Mr. DALY. And the engineers with the Forest Service has agreed with me on that point.

Senator SYMMS. Mr. Carlson, you put down you thought Meadow Creek and Jersey Jack should not be opened up; is that correct?

Mr. CARLSON. Meadow Creek, yes. Jersey Jack is pretty much in the courtroom. It's out of everyone's——

Senator SYMMS. When the Gospel Hump Wilderness Act passed it was supposed to be somewhat of an agreement that it was going to be opened up. But then once we got past passing it, it went back into court.

Mr. CARLSON. I point out none of us is asking to make West Meadow a wilderness area. We're asking it remain roadless until the first decade. I think you'll find one of the many multiple uses authorized under multiple use is roadless and recreation and wildlife, sir.

Senator SYMMS. OK. Thank you, Mr. Chairman. Thank you very much, all of you.

Senator McCLURE. Thank you. How many of you are members of the Prime Time Players?

[Mr. Carlson and Mr. Daly raised their hands.]

Senator McCLURE. Two of you. I have a letter file that indicates, at least from the perspective of the one who wrote to me, that there was an agreement made in there with that group that looked at the possibility of getting to 120 allowable sale quantity; is that correct?

Mr. CARLSON. Partially, Senator. The Prime Time Players' purpose was not to reach agreement. The decision has to be made by the Forest Service. We were not in a position to reach an agreement and oppose imposing it upon the Forest Service. It was pretty much an opportunity to provide input to the forest supervisor and his staff as to how the various interest groups felt about issues.

The timber representatives did raise the possibility of 120 allowable sale quantity. Most of us said we didn't have any particular heartburn with 120 allowable sale quantity. As I say in my statement, that's a number—that's a forestry timber number—not an environmental number. But we're concerned about what—the effects of the road building and the timber harvest activities that have to take place and where they take place to achieve that number. It's up to the forest professionals to find out if they can do it.

Senator McCLURE. Is that your understanding also?

Mr. DALY. Yes; it is.

Senator McCLURE. The Forest Service has been asked to run through their models to see whether or not they can get to 120 allowable sale quantity doing what you want in West Meadow Creek or a portion of it during the first decade and still be able to reach that without undo environmental damage. They have done that and said they can. If that's true, I would assume you have no objection then if they would increase the annual sales quantity to 220 million board feet?

Mr. Carlson. Again, without seeing the numbers and the locations of the roads and the locations of the cuts, you know, it's really impossible to tell. We have not seen the final forest plan because there is no final forest plan. The agreements have been made with Fish and Game, Department of Fish and Game, with EPA, and U.S. Fish and Wildlife Service. And those agencies were not representing the Prime Time Players.

Senator McClure. There have been several references here to tourism, and certainly tourism is important. I don't mean by—I'm not stating that in my letter as one of the prime things. I think you would recognize it is behind the other three that I did list. Tourism is growing. One of the reasons the other—the tourism is growing relative to the others, however, is the very tough times that agriculture is having. If they're down, then relatively speaking, tourism is up. The same thing is true of timber harvest and mining.

We had a statement made to us at one of our hearings that indicated if we lose 2,000 jobs across the State in timber-related jobs, the population of the county in which he was referring to would have to double in population to offset that economic loss to his county. I'm not sure how many of us really want to see the population of Idaho County double, or the population of Lewiston, Nez Perce County, double. So there are some tradeoffs that are involved in order to generate economic activity.

And I think all of us know, too, that the jobs in the timber industry are relatively higher paying; the jobs in tourism are relatively lower paying. I think it's also a fact—and certainly if any of you disagree or want to modify it, I'm not trying to make a statement and shut you off. I'm trying to get some facts on the table at least as we have elicited up to this point—that also in terms of economic based tax base for the committees, that the industrial tax base is larger than tourist tax base. They pay more taxes relative to the number of jobs that are involved.

Now if you were to close down the sawmill here in Grangeville, that would dump all the tax load back onto the agriculture economy. And I don't know how many farmers around here are so flush they would like to see their taxes doubled, but I have heard from a few of them that indicated to me they don't really relish that notion. If you don't do that in some small communities, what you will very—if you don't have an immediate substitution of tourism dollars in tax base to pay taxes to support the school and pay off the school bonds and pay off the hospital bonds and operate local and county governments, then you're going to either have a dramatic increase in taxes or a reduction in community services.

There are a great many of our small agricultural communities where timber is an important element in which they are very balanced on the edge of survival today. And if you take away even a large percentage of their tax base, those communities will cease to exist. You can look across the State of Idaho from the Canadian border to the southeast corner of the State and if you'll get an old map it's dotted with communities that no longer exist. That trend has been going on for a long time, and I suspect what we do or say here isn't going to change that or completely eliminate that trend. But certainly I don't believe we want to accelerate that trend.

I think that we have to be very conscious of the impact that we have upon the dependent communities as it shifts economic bases and uses and the costs to other segments of our economy. I don't know what would happen now in your community if the sawmills shut down. You would probably have better tourism. You'd have more California hunters to pack in, but you wouldn't have very many local neighbors to look at.

I remember testimony given here once by a young fellow who lived in Elk City. He came to the table to testify, and I thought, oh, no, here comes another guide that's going to cause me trouble, because he had long hair and a flannel shirt that was out around his hindend and flapping in the breeze. And yet he sat down and said:

> I came here from California because I wanted the unspoiled and open spaces. And I decided Elk City was certainly as far away from anywhere as I was going to get. Then I met and married a local girl, and we have a family and I have to have a job to support that family. And if I don't have a job in the sawmill, I can't live where I chose to live and rear my family.

That's a dilemma, too, for a lot of people. And I understand the concern that you have; if within your area where you have been packing people you lose the territory to roads, as a result you lose a large opportunity for packing people into that area. I can understand that. I wouldn't pay you very much to pack me up a road where I could drive my Jeep. I suspect that's probably true of most Idahoans.

Maybe there is an alternative, however, and that is in some of those areas opening the roads that don't exist now for the purpose of timber harvest and management, and closing them for other purposes. And maybe it just might be that people would still pay you to pack them an area even though there had been timber activity there if that's the only way to get there.

Mr. DALY. They have done that in several instances.

Senator McCLURE. Is it helpful?

Mr. DALY. Several roads. But they do not have the manpower to police it. So you still get people crossing barriers and motorcycles running all over you.

Senator McCLURE. Yeah, I heard one fellow say:

> My real difficulty is the road bars. I can't pack my DA with me everywhere. So I suspect there is some cheating on that system. But does it help? Is it any answer at all?

Mr. DALY. It keeps a lot of the bigger vehicles out of there.

Senator McCLURE. Doesn't keep the——

Mr. DALY. I don't think any of us has a problem with 102 million board feet or 120 million board feet as long as it's managed right. But I have never seen any figures—why the difficulty with the 102 versus the 120 when the figures I got out of the Nez Perce, they never had—average over a 5-year period was only 65 million board feet sales. So it still leaves room for a lot of growth to the timber industry at present plan.

Senator McCLURE. Well, I'm not going to take the time at this particular time to try to analyze all those figures and all the reasons, because I think we're probably taking too much time with this panel now if we're going to get done with six panels before we have to quit tonight. But I hope you'll stay because I will be directing some questions to the other witnesses who can tell you some of the answers to that question and some who will be trying to answer that question very directly, I hope. At least that's been our experience in the other hearings.

Mr. Carlson, I believe it was you who made reference to the meeting you had in May in Lewiston, a fundraising banquet for the Rocky Mountain Elk Foundation.

Mr. CARLSON. Sure.

Senator McCLURE. And you raised money to help the Nez Perce National Forest matching challenge grants for elk winter range improvement.

Mr. CARLSON. Yes, sir.

Senator McCLURE. I thank you very much for that.

Mr. CARLSON. Yes, sir.

Senator McCLURE. Are you aware that it's as a result of my action; I'm the author of that particular thing? And, therefore, I must be appreciative of the fact that it is working. I thought it would work.

Mr. CARLSON. It might even be the reason I mentioned it, Senator.

Senator McCLURE. Well, I can appreciate it if you were going to do it for that purpose and said right on the face: Thank you, Senator McClure, for a good program.

I think I have no further questions for the panel at the time. Gentlemen, thank you very much for your testimony. We do have a long afternoon. I'd like to sit and visit with you all afternoon.

STATEMENTS OF:

ELLIOTT MOFFETT, SECRETARY, NEZ PERCE TRIBE EXECUTIVE COMMITTEE

AL ARNZEN, SUPERINTENDENT OF SCHOOLS FOR JOINT SCHOOL DISTRICT NO. 241

JERRY PELTON, SUPERINTENDENT OF SCHOOLS FOR THE COTTONWOOD JOINT SCHOOL DISTRICT NO. 242

KEITH W. TRAPPET, SUPERINTENDENT OF THE COUNCIL SCHOOL DISTRICT NO. 13, ADAMS COUNTY

Senator McCLURE. Elliott Moffett, Nez Perce Tribal Executive Committee; Al Arnzen, superintendent of schools; Jerry Pelton, superintendent of schools; and Keith Trappet, superintendent of schools.

While they're taking their seats, I wonder if the next group, Dick Bennett, Bob Krough, Don Konkol, and Marlin Clausner can come forward and take your seats in the front so we can move up more rapidly.

Mr. Moffett.

STATEMENT OF ELLIOTT MOFFETT

Mr. MOFFETT. Thank you, Senator McClure, for this brief opportunity to testify on Idaho forest plans. My name is Elliott Moffett, and as secretary of the Nez Perce Tribal Executive Committee I'm here representing the Nez Perce Tribe.

As you are aware, the Nez Perce Tribe has rights reserved by treaty to take anadromous fish originating in the State of Idaho together with the privilege of hunting, gathering roots and berries, and pasturing horses and cattle upon open and unclaimed land.

Since Idaho national forest lands contain a large amount of the Columbia Basin's prime fish and wildlife habitat, preservation of this habitat is essential to the fulfillment of the tribe's treaty rights.

Given the importance of the national forests to the State, the region and the Nation, I am encouraged that Idaho's congressional delegation is taking a strong interest in the national forest planning process and holding this hearing. However, I am concerned that this hearing lacks the balanced input needed to give its result credibility. Why was the Idaho Department of Fish and Game not invited? Why were the Idaho Department of Health and Welfare and the Environmental Protection Agency not invited? These agencies have important roles in forest planning and forest management, yet their expertise is being excluded. Excluding these agencies sends a clear signal that we are here to discuss subsidizing local timber economies, and not proper resource management.

According to our analysis of this situation, there appears to be some confusion being created that needs to be dealt with before we discuss specific issues. What is being proposed by both the Nez Perce and Clearwater National Forests is a reduction in the yearly volume of timber offered for sale. From our perspective, this will not adversely impact the region because both forests have been unable to sell the volume that they are currently being offered for sale. The fact is that both forests now have several hundred million board feet of timber sales sitting on the shelf which have been purchased yet have not been logged. The records show that current demand for timber is more than satisfied. In essence, the current debate in Idaho over national forest management revolves around this central question: Should our national forests be managed to fulfill the needs of future generations of Americans, or should they be used to fulfill the short-term economic ambitions of some of today's citizens?

Our main concerns with this economic evaluation can be broken into two categories. First, the economic impact of increased timber harvest on other natural resources such as fish and wildlife; and second, the cumulative economic impact to regional concerns such as tourism, outfitters, and guides.

The outputs in the forest plans are based on computer models of the forest over a period of time, given certain constraints such as levels of timber harvest. What we are discussing is the "best guess" of what can be accomplished. In actuality, these outputs over a 10- or 20-year period are only "paper elk, fish, and trees." They are not yet real. And they will not become a reality unless Congress honors the appropriations requests that these forests have identified as necessary to implement these plans. Can you assure me that in this era of Gramm-Rudman budget cutbacks, additional funding will be made available to provide for the habitat management activities needed and identified in the plans, to mitigate the effects of an increasing level of timber harvest?

The Multiple Use Sustained Yield Act, when combined with the National Forest Management Act [NFMA], requires that timber be harvested only where streams and fish habitat can be protected from serious and adverse harm. The Forest Service can only meet this obligation through implementation of the forest plans, which will require additional support from Congress through appropriations.

The tribe has retained treaty rights to the wildlife resources affected by these forest plans. Members of the tribe depend on the wildlife resources existing on these forests to support subsistence hunting activities. The plans you are evaluating impact the resources to which the treaty rights apply. If Congress does not intend to fully fund implementation of the plans, the economic evaluation you are conducting should include financial compensation to the tribe for lost wildlife resources and hunting opportunities. When one considers the religious, cultural, and recreational significance of hunting to Indian peoples, these values become priceless.

Many wildlife species range between the boundaries of a single national forest. Elk, for instance, are migratory and do not always exist solely on one national forest. The cumulative impacts of the Idaho forest plans to elk and other migratory wildlife is unknown and are, therefore, not addressed in the plans that should be included in this study of cumulative impacts.

Our tribe is concerned with all activities which affect the status of streams within the range of Columbia River anadromous fish. The runs of chinook salmon and steelhead returning to streams in the lower Snake, Clearwater, and Salmon Rivers are at critically low levels. Environmental impacts proposed by the plan will greatly reduce the ability of these populations to maintain their reproduction status.

Columbia Basin fishery managers have discovered that the fish runs will perish unless there is cooperation between all of the various entities with authority over some aspect of the anadromous fish life cycle. This management approach is called gravel-to-gravel management.

Senator McClure. Mr. Moffett, you're in your summary time and you're halfway through your statement.

Mr. Moffett. I'd like to conclude.

Senator McClure. If you could summarize, I'd appreciate it.

Mr. Moffett. If we as a group are going to evaluate cumulative impacts for forest plans in Idaho, the Nez Perce Tribe strongly recommends that: One, other cumulative impact analyses should be initiated regarding impacts to wildlife and fisheries. And two, the cumulative economic impacts include the perspective of increased outlays to the U.S. Forest Service to meet planned objectives and the cost of potential settlements arising from infringement of treaty rights.

Thank you, Senator.

Senator McClure. Thank you. And surely I note for the record that your entire statement appears in the record in full.

Al Arnzen.

STATEMENT OF AL ARNZEN

Mr. Arnzen. Thank you, Senator McClure. I'm Al Arnzen, superintendent of schools for Joint School District 241, with the central office located here in Grangeville. Joint School District 241 is in two counties, Idaho and Adams County. I will address only Idaho

County because almost all of Joint School District 241 is in Idaho County. Joint School District 241 starts on the eastern line of the Montana-Idaho border and ends on the western line of the Idaho-Oregon border. Approximately 85 percent of Joint School District 241 is in Federal or State land, and only 15 percent is privately owned.

Idaho County has 8,539 square miles and approximately 5,464,960 acres. Joint School District 241 covers most of Idaho County.

In the school year 1985–86, we had 1,958 students in School District 241. We have six grade schools, three high schools in Joint School District 241. As you can see by the number of schools we have and the size of Joint School District 241, we have many schools in remote areas. Our cost to run these remote and small schools and the transportation costs of busing these children is high.

What have the forest fund receipts meant to Joint School District 241? No. 1, the forest fund money has given us the ability to keep our facilities up to date. Most of our facilities are 28 years old. We have been able to put new roofs on as needed, we have been able to add to the present facilities when special education came into the program, and libraries have been expanded.

Two, the forest money has allowed us to keep our salaries competitive in Idaho. We have remote schools and we need to attract excellent teachers to teach in these areas.

Three, the funds have allowed us to keep our 39 buses in working order, and also depreciate the buses in 10 years. Our buses travel 298,969 miles a year over roads that are graveled and narrow.

What will it mean if we lose these funds? One, if we lost the forest fund receipts, we would have to ask our patrons for $800,000 just to maintain the status quo. School District 241 is concerned over the loss of allowable timber. We are, however, concerned about the possibility of moving from gross receipts to net receipts. If the Federal Government allows Idaho County to be paid on net receipts, it will terminate forest fund receipts for our school district.

Two, the upkeep of our facilities, which is paid out of forest fund receipts, would be terminated.

Three, we could not maintain the competitive position we have at this time for teacher salaries. As everyone knows, the school system is only as good as the administrators and teachers. The State of Idaho has not been competitive with the contiguous States surrounding Idaho for salaries. Last year there were 1,346 openings for teaching positions in Idaho. The college and universities in Idaho graduated 588 teachers last year.

Our economy in Idaho County is based on agriculture and timber. As you know, the last 5 years have been very—have not been very good for these industries financially. The State of Idaho has also done a very poor job of funding education. If it had not been for the forest fund receipts, we would have had to ask the patrons for override levies. This would have placed an additional burden on the industries and partrons of Joint District 241. Also, the Nez Perce National Forest staff is located in Grangeville, and is the second largest employer in Idaho County. This industry does not pay any taxes.

In summary, we need to keep our sawmills working to capacity. I am not an expert, and don't know how much allowable timber it takes to achieve full capacity. Anything less than full capacity for our sawmills would hurt our school district.

A change from gross receipts to net receipts would also hurt our school district. Ultimately we must think about the children in our area. Losing forest funds will hurt our school district. That will affect the quality of education our children will receive. The amount of money we have received in the last 14 years, and I have it listed here and I'm not going to go through that, but the average is $467,209 per year.

Thank you for allowing me time to express my concern about forest fund receipts for Joint School District 241.

Senator McClure. Thank you very much.

Mr. Pelton.

STATEMENT OF JERRY PELTON

Mr. Pelton. Just off the record, Senator, we get the other little portion of Idaho County that Grangeville doesn't have.

Senator McClure, committee members and other guests, my name is Jerry Pelton. I'm currently superintendent of schools for the Cottonwood School District 242, located almost entirely in Idaho County.

I do not claim to be an expert in the area of forest management. Consequently, my remarks relate to the financial impact to the Cottonwood School District should there be any reaction in the forest fund receipts for any reason.

Most schools throughout the State of Idaho who have national forest land within their county rely to some extent on the receipt from the timber sales and harvest.

We, in Idaho County, because of the vast national forest land within the county, depend heavily on the moneys coming from the timber harvest.

As superintendent of schools for the Cottonwood School District for the past 17 years, I know how dependent our schools are on the revenue receive from the timber sales.

The Cottonwood School District has received forest fund revenue averaging more than $104,000 each year since 1979. These moneys, plus interest accrued, has been used mainly for capital outlay projects, improvement of grounds and sites, building construction, purchase of school buses, classroom and library equipment, and general maintenance equipment. In the last few years, the moneys have also been used to help offset deficits in the maintenance and operation budget. And a footnote, I might add that the forest funds have been put back into the budget at the tune of $1.3 million over the past 15 years.

Having received forest fund money for many years, it becomes an intregal part of our school budget, and any drastic reduction in these funds would create an extreme budget problem.

Financially speaking, the Cottonwood School District has a below average market value when compared to other school districts. The district does, however, assess the maximum allowable tax levy for maintenance and operation, and has had at least one bond levy since 1961 and for several years supported two bond levies.

Relying mainly on the agricultural base with some families involved in the lumbering industry, our school district is in a financially depressed area. In this struggling economy, we find ourselves hard pressed to meet the ever-changing needs of education. This will be especially true if the forest funds are cut back.

When there is a reduction in the national forest sales, the results often show in less mill and woods workers. As their hours are cut back or eliminated, there is a carryover effect on all other business which further magnifies the problems resulting from a reduced timber harvest.

I know you're all aware that the lumber market has been struggling in recent years and how this impact has hurt many communities because of cutbacks and closures.

Our school system and our enrollment over the past 10 years has steadily declined, which results in less State and Federal money. At the same time, the Federal education requirements, both at the State and Federal level, have increased which puts an extra burden on the school budgets.

The revenue from State and local funds cannot keep pace with the increased cost of education. We have had to make cuts in recent years in both staff and programs to keep it within the available budget. And it becomes obvious that the needs for continued financial support through funding sources such as the Federal forest moneys is essential.

It's also evident that these moneys are critical in the purchase of equipment, to maintain buildings and make other capital outlay purchases.

The economy in the State of Idaho depends heavily on the agriculture and timber industry, and Idaho County is no exception. Schools are reluctant to ask their patrons for additional moneys through increased property taxes because of the economy.

In summary, I'd like to thank Senator McClure for holding these hearings and allowing individuals such as myself to testify. I hope that the decisions are such that workable solutions would be forthcoming. Within these solutions it is essential that the entities within the counties that have Federal forest lands continue to reap some badly needed financial help.

Reductions in the Federal forest funds will only have a financial negative effect on the Cottonwood school system.

It is difficult to predict the overall effect that a reduction or elimination of forest fund moneys would have on school district 242. However, I do know that any large cut in receipts would carry a financial burden that would result in much higher taxes and/or an elimination of some basic programs.

Thank you.

Senator McClure. Thank you. Mr. Trappet.

STATEMENT OF KEITH TRAPPET

Mr. **Trappet**. Senator McClure, Senator Symms, David Leroy and guests, I'm Keith Trappet, currently superintendent of the Council School District.

Our school district is dependent on the Federal forest funds in the following ways: No. 1, we use the Federal forest money to help with the maintenance of the buildings and the grounds. We used some of the funds this year for resurfacing the parking area and replacing the sidewalks. Without the funds, these areas would continue to deteriorate. In years past, the forest funds have gone for repair of the buildings.

No. 2, part of the Federal forest funds have been budgeted in the general fund to help enrich the curriculum in two ways: to provide up-to-date textbooks and supplies; second, to help pay the teachers of our vocational programs and exceptional programs of advanced courses such as advanced math, advanced science.

No. 3, without the Federal forest funds, our district would be unable to offer a group insurance plan for our employees.

Our school district, Council School District No. 13, is at a crossroads in the education of our students. We have eliminated five teaching positions in the last 2 years. Our staff is at a minimum at this point.

With the withdrawal of the Federal funds, we would at this point eliminate either two vocational programs and/or a combination of our advanced classes, a math and science, which would involve the algebra, the trigonometry, the physics, and chemistry.

The loss of two teachers, not to mention the loss of classes that students need in order to go on in their education and vocational programs that might be all the training some students receive to prepare them for the job market, would be a serious detriment to the district.

With the economy of Adams County citizens dependent upon agriculture and forestry, it is now impossible to pass a local option for more local taxes. Unless we see an immediate turnaround for those occupations, there will be no new funds for the district on the local level.

With the majority of the land in the Council School District No. 13 of Adams County and Federal forests, we cannot expand the tax base of the private lands.

The loss of the Federal forest funds would be a detriment to the education of our students. As superintendent of this district, I advise you it would not hurt me personally, but it would be and will affect the fine quality of the education our students receive.

Thank you.

PREPARED STATEMENTS

Senator **McClure**. Thank you. We will insert your submitted statements in the record at this point and then Senator Symms can ask some questions of you gentlemen.

[The statements follow:]

STATEMENT OF ELLIOTT MOFFETT

Thank you Senator McClure for this brief opportunity to testify on Idaho forest plans. My name is Elliott Moffett, and as Secretary of the Nez Perce Tribe Executive Committee, I am here representing the Nez Perce Tribe. As you are aware, the Nez Perce Tribe has rights reserved by treaty to take anadromous fish originating in the state of Idaho together with the privilege of hunting, gathering roots and berries, and pasturing horses and cattle upon open and unclaimed land. Since Idaho national forest lands contain a large amount of the Columbia Basins's prime fish and wildlife habitat, preservation of this habitat is essential to the fulfillment of the Tribe's treaty rights.

Given the importance of national forests to the state, the region, and the nation, I am encouraged that Idaho's congressional delegation is taking a strong interest in the national forest planning process and holding this hearing. However, I am concerned that this hearing lacks the balanced input needed to give its results credibility. Why was the Idaho Department of Fish and Game not invited? Why were the Idaho Department of Health and Welfare and the Environmental Protection Agency not invited? These agencies have important roles in forest planning and forest management yet their expertise is being excluded. Excluding these agencies sends a clear signal that we are here to discuss subsidizing local timber economies, not proper resource management.

According to our analysis of this situation, there appears to be some confusion being created that needs to be dealt with before we discuss specific issues. What is being proposed by both the Nez Perce and Clearwater National Forests is a reduction in the yearly volume of timber offered for sale. From our perspective, this will not adversely impact the region because both Forests have been unable to sell the volume that they are currently offering for sale. The fact is that both Forests now have several hundred million board feet of timber sales sitting on the shelf which have been purchased yet have not been logged. Specifically, the Clearwater and Nez Perce National Forests have only sold 88% and 83%, respectively, of the timber they offered during the 1975-1984 period. The records show that current demand for timber is more than satisfied. In essence, the current debate in Idaho over national forest management revolves around this central question: "Should our national forests be managed to fulfill the needs of future generations of Americans or should they be used to fulfill the short-term economic ambitions of some of today's citizens?"

Our main concerns with this economic evaluation can be broken into the two categories:

(1) the economic impact of increased timber harvest on other natural resources such as fish and wildlife, and

(2) the cumulative economic impact to regional concerns such as tourism, outfitters, and guides.

The outputs in the forest plans are based on computer models of the forest, over a period of time, given certain constraints such as levels of timber harvest. What we are discussing is the "best guess" of what can be accomplished. In actuality, these outputs--over a ten or twenty year period--are only "paper elk, fish, and trees". They are not yet real. And they will not become a reality unless Congress honors the appropriations requests that these Forests have identified as necessary to implement these plans. Can you assure me that in this era of Gramm-Rudman budget cutbacks, additional funding will be made available to provide for the habitat management activities needed and identified in the plans, to mitigate the effects of an increasing level of timber harvest? The Multiple Use Sustained-Yield Act when combined with the National Forest Management Act requires that timber be harvested only where streams and fish habitat can be protected from serious and adverse harm. The Forest service can only meet this obligation through implementation of the Forest Plans which will require additional support from Congress through appropriations.

The Tribe has retained treaty rights to the wildlife resources affected by these forest plans. Members of the Tribe depend on the wildlife resources existing on these forests to support subsistence hunting activities. The plans you are evaluating impact the resources to which the treaty rights apply. If Congress does not intend to fully fund implementation of the plans, the economic evaluation you are conducting should include financial compensation to the Tribe for lost wildlife resources and hunting opportunities. When one considers the religious, cultural and recreational significance of hunting to Indian peoples, these values become priceless.

Many wildlife species range beyond the boundaries of a single national forest. Elk, for instance, are migratory and do not always exist solely on one National Forest. The cumulative impacts of the Idaho Forest Plans to elk and other migratory wildlife is unknown and are, therefore, not addressed in the plans and should be included in this study of cumulative impacts.

Our Tribe is concerned with all activities which affect the status of streams within the range of Columbia River anadromous fish. The runs of chinook salmon and steelhead returning to streams in the lower Snake, Clearwater and Salmon Rivers are at critically low levels. Environmental impacts will greatly reduce the ability of these populations to maintain their reproduction status.

Columbia basin fishery managers have discovered that the fish runs will perish unless there is cooperation between all the various entities with authority over some aspect of the anadromous fish life-cycle. This management approach is called "gravel-to-gravel" management. "Gravel-to-gravel" management is at the heart of both the United States/Canada Pacific Salmon Treaty and the Northwest Power Planning Council's Fish and Wildlife Program. Coordination between the Forest Service and the resource management efforts of tribal, federal, and state entities is also required by the National Forest Management Act. Despite this, no forest plan has explained how it is coordinating its efforts so that they are consistent with these other inter-agency activities.

The anadromous fisheries in the State of Idaho are a particular concern for our Tribe in terms of protecting and enhancing the runs and providing for the ceremonial and subsistence needs of our people. For the first time in history, Federal, State, and Tribal entities have joined forces to achieve optimum passage and survival of anadromous fish through the Columbia and Snake River mainstems. Even the U.S. Forest Service is currently accepting contracts from the Bonneville Power Administration worth millions of dollars for stream restoration efforts to correct past management mistakes. Furthermore, under U.S. v. Oregon, the states and tribes are developing management plans for fish production and harvest which hold the promise of integrated management throughout the Columbia River basin.

In order to achieve our long-term goal of restoring historic runs of anadromous fish within the Snake River basin, quality habitat for spawning and rearing must be available. Any additional habitat degradation will not only reduce current anadromous fish production but could also seriously jeopardize basin-wide programs to restore these resources. The survival of salmon and steelhead hinges on the wise and balanced management of our National Forests, for they provide the majority of the critical anadromous spawning and rearing habitat.

Over the years, we have witnessed the degradation of many streams as a result of poor logging, roading, mining, and grazing practices. Even though the National Forest system is required to be managed according to the multiple-use concept, fisheries, water quality, and riparian-dependent resources have declined substantially. If the anadromous fisheries are to survive for future generations, this trend must stop. The current Forest Planning process is attempting to give all of our resources a "fair shake". In our view the preferred Plans for the Clearwater and Nez Perce National Forests provide minimal fisheries protection. To lower water quality, fisheries and/or riparian standards and guidelines to achieve a larger timber harvest will only achieve short-term benefits for a few timber interests. In the long run, Tribal, sport, and commercial fishermen from Idaho to the Pacific will lose.

If economics is the overriding factor on the future of our forests, the cumulative economic contribution to Idaho's fishery, tourism, and outfitting industries, and to the Nez Perce Tribe's subsistence activities, will need to be assessed. Our Tribe has spent months during the last year analyzing the consequences of the Clearwater and Nez Perce National Forest management plans and it is clear to us that timber harvest from a purely economic standpoint will irreparably harm fish and wildlife resources.

If we, as a group, are going to evaluate cumulative impacts for Forest Plans in Idaho, the Nez Perce Tribe strongly recommends that:

#1. Other cumulative impact analyses should be initiated regarding impacts to wildlife and fisheries.

#2. The cumulative economic impacts include the perspective of increased outlays to the U.S. Forest Service to meet planned objectives and the cost of potential settlements arising from infringement of treaty rights.

STATEMENT OF AL ARNZEN

History

Joint School District #241 is in two counties, Idaho and Adams County. I will address only Idaho County because almost all of Joint School District #241 is in Idaho County. Joint School District #241 starts on the eastern line of the Montana-Idaho border and ends on the western line of the Idaho-Oregon border. Approximately 85% of Joint School District #241 is in Federal or State land and only 15% is privately owned.

Idaho County has 8,539 sq. miles and approximately 5,464,960 acres. Joint School District #241 covers most of Idaho County.

In the school year 1985-86, we had 1,958 students in School District #241. We have six grade schools and three high schools in Joint School District #241. As you can see by the number of schools we have and the size of Joint School District #241, we have schools in remote areas. Our cost to run these remote and small schools and the transportation cost of busing these children is high.

What have the forest fund receipts meant to Joint School District $241?

1. The forest fund money has given us the ability to keep our facilities up-to-date. Most of our facilities are 28 years old. We have been able to put new roofs on as needed, we have been able to add to the present facilities when special education came into the program, and libraries have been expanded.
2. The forest money has allowed us to keep our salaries competitive in Idaho. We have remote schools and we need to attract excellent teachers to teach in these areas.

3. The funds have allowed us to keep our 39 buses in working order and also depreciate the buses in ten years. Our buses travel 298,969 miles a year over roads that are graveled and narrow.

What will it mean if we lose these funds?

1. If we lost the forest fund receipts, we would have to ask our patrons for $800,000.00 just to maintain the status quo. School District #241 is concerned over the loss of allowable timber. We are, however, concerned about the possibility of moving from "gross receipts" to "net receipts". If the federal government allows Idaho County to be paid on net receipts, it will terminate forest fund receipts for our school district.
2. The up-keep of our facilities, which is paid out of forest fund receipts, would be terminated.
3. We could not maintain the competitive position we have at this time for teacher salaries. As everyone knows, the school system is only as good as the administrators and teachers. The State of Idaho has not been competitive with the contiguous states surrounding Idaho for salaries. Last year there were 1,346 openings for teacher positions in Idaho. The colleges and universities graduated 588 teachers last year.

Our economy in Idaho County is based on Agriculture and Timber. As you know, the last five years have not been very good for these industries financially. The State of Idaho has also done a very poor job of funding education. If it had not been for the forest funds, we would have had to ask the patrons for override levies. This would have placed an additional burden on the industries and patrons of Joint School District #241. Also, the Nez Perce National Forest staff is located in Grangeville, and is the second largest employer in Idaho County. This industry does not pay any taxes.

Summary

We need to keep our sawmills working to capacity. I am not an expert, and I don't know how much allowable timber it takes to achieve full capacity. Anything less than full capacity for our sawmills would hurt our school district.

A change from "gross receipts" to "net receipts" would also hurt our school district. Ultimately we must all think about the children in our area. Losing forest funds will hurt our school district. That will affect the quality of education our children will receive. The amount of money we have received in the last 14 years is:

Year	Amount
1973	$193,531
1974	312,307
1975	280,476
1976	160,164
1977	338,614
1978	687,799
1979	487,400
1980	870,253
1981	713,952
1982	873,217
1983	591,750
1984	307,215
1985	311,465
1986	412,778
Total	$6,540,921

This is an average of $467,209 per year.

Thank you for allowing me the time to express my concern about forest fund receipts for Joint School District #241.

STATEMENT OF JERRY PELTON

Honorable Senator McClure, committee members, and other guests. My name is Jerry Pelton. I am currently the Superintendent of Schools for the Cottonwood Joint School District No. 242 which is located almost entirely in Idaho County.

I do not claim to be an expert in the area of forest management. Consequently, my remarks relate to the financial impact to the Cottonwood District should there be any reduction in forest fund receipts for any reason.

Most schools throughout the State of Idaho who have National Forest lands within their county rely to some extent on receipts from the timber sales and harvest.

We, in Idaho County, because of the vast national forest land within the county depend heavily on monies coming from the timber harvest.

As Superintendent of Schools for the Cottonwood School District for the past 17 years, I know how dependent our school is on the revenue received from the timber sales.

The Cottonwood School District has received forest fund revenue averaging more than $104,000.00 each year since 1969. These monies plus any interest accured has been used mainly for capital outlay projects, improvement of grounds and sites, building construction, purchase of school buses, classroom and library equipment and general maintenance equipment. In the last few years these monies have also been used to help offset deficits in the maintenance and operation budget.

Having received forest fund money for many years it becomes an intregal part of our school budget and any drastic reduction in these funds would create an extreme budget problem.

Financially speaking the Cottonwood School District has a below average market value when compared to other school districts. The district does however, assess the maximum allowable tax levy for maintenance and operation and has had at least one bond levy since 1961 and for several years supported two bond levies.

Relying mainly on an agricultural base with some families involved in the lumbering industry, our school district is in a financially depressed area. In this struggling economy we find ourselves hard pressed to meet the ever changing needs of education. This will be especially true if forest funds are cutback.

When there is a reduction in the National Forest Timber Sales the results often show in less mill and woods workers. As their hours are cutback or eliminated there is a carryover effect on all other businesses in the area which further magnifies the problems resulting from a reduced timber harvest.

I know you are all aware that the lumber market has been struggling in recent years and how this impact has hurt many communities because of cutbacks and closures.

Our school enrollment over the past 10 years has steadily declined which results in less state and federal money. At the same time state and federal education requirements have increased which puts an extra burden on school budgets.

The revenue from state and local funds do not keep pace with the increased costs of education. We have had to make cuts in recent years in both staff and programs to keep within the available budget. It becomes obvious that the need for continued financial support through funding sources such as federal forest monies is essential.

It is also evident that these monies are critical for the purchase of equipment, to maintain buildings and make other capital outlay purchases.

The economy in the State of Idaho depends heavily on the agriculture and timber industry and Idaho County is no exception. Schools are reluctant to ask its patrons for additional monies through increased property taxes because of the economy.

In summary I would like to thank Senator McClure for holding these hearings and allowing individuals such as myself to testify. I sincerely hope that the decisions are such that workable solutions would be forthcoming. Within these solutions it is essential that the entities within counties that have federal forest lands, continue to reap some badly needed financial help.

Reductions in federal forest funds will only have a financially negative effect on the Cottonwood School System.

It is difficult to predict the overall effect that a reduction or elimination forest fund monies would have on School District 242. However, I do know that any large cut in receipts would carry a financial burden that would result in much higher taxes and/or an elimination of some basic programs.

Thank you.

STATEMENT OF KEITH W. TRAPPET

Our school district is dependent on the federal forest funds in the following ways:

(1) We use federal forest monies to help with the maintenance of the buildings and grounds. We used some of the funds this year for resurfacing the parking area and replacing sidewalks. Without the funds, these areas would continue to deteriorate. In years past, forest funds have gone for replacement and repair of buildings.

(2) Part of the federal forest funds have been budgeted in the general fund to help enrich the curriculum in two ways: to provide up-to-date textbooks and supplies; second, to help pay the teachers of our vocational programs and exceptional programs of advanced courses (i.e. advanced math and sciences).

(3) Without federal forest funds, our district would be unable to offer a group insurance plan for our employees.

Council School District No. 13 is at a crossroads in the education of our students. We have eliminated five (5) teaching positions in the last two years. Our staff is at a minimum at this point.

With the withdrawal of the federal funds, we would at this point eliminate either two vocational programs and/or a combination with our advanced classes of math and science (i.e. Algebra II, trigonometry, physics, and chemistry).

The loss of two teachers, not to mention the loss of classes that students need in order to go on in their education and vocational programs that might be all the training some students receive to prepare them for the job market, would be a serious detriment to the district.

With the economy of Adams County citizens dependent on agriculture and forestry, it is impossible to pass a local option for more local taxes. Unless we see an immediate turn-around for these occupations, there will be no new funds for the district on a local level.

With the majority of land in Council School District No. 13 of Adams County in federal forest, we cannot expand the tax base of private lands.

The loss of the federal forest funds would be detrimental to the education of our students. As the superintendent of this school district, I advise you that it will not hurt me personally, or the staff who are asked to find new jobs, because there are jobs in other states, it will affect the quality of education that our students receive.

LETTER FROM VICTOR ATIYEH, GOVERNOR, STATE OF OREGON

February 18, 1986

Charles T. Coston
Regional Forester
USDA Forest Service
P.O. Box 3623
Portland, OR 97208

I believe that cumulative statewide effects of current national forest planning should be displayed and reviewed before you make a final commitment for implementing preferred plan alternatives for individual national forests in Oregon.

National forests in Oregon represent a major part of this state's economy. They are vital to continued employment and economic stability of many of our communities. Many concerns have been expressed to my office on the total effect of the forest plans on communities near these forests, and the overall effect on Oregon's timber industry if final commitments are made on a forest-by-forest basis. For these reasons, I request that you refrain from taking final action on forest plans before all plans are completed. This will provide all of us with a comprehensive, accurate picture of the results of current planning on this important state resource.

I realize that this action will slow completion of the overall planning process, but a comprehensive review at the statewide level seems imperative.

Meanwhile, in the interim, I will do all in my power to provide an atmosphere of continued cooperation with the Forest Service to bring about resolution of the difficult and complex issues that have been raised by planning. As part of this effort, Oregon's state agencies will work together in an attempt to provide a coordinated response in your public review process.

Sincerely,

Victor Atiyeh
Governor

LETTER FROM TOM COSTON, REGIONAL FORESTER, U.S. FOREST SERVICE, DEPARTMENT OF AGRICULTURE

Date: February 28, 1986

Honorable Victor Atiyeh
Governor of Oregon
State Capitol
Salem, OR 97310

Dear Governor Atiyeh:

I was glad to receive your request that we not "make a final commitment for implementing preferred plan alternatives for individual National Forests" until we know the total effect of the Forest Plans.

It is my intent to track the cumulative effect of all the Forest Plans as they complete their initial drafts. As a matter of fact, we have prepared our first update of cumulative effects based on nine Forests in the Region (a copy is enclosed for your information). This is based on tentative information. Only the Deschutes National Forest has issued a Draft Environmental Impact Statement for public review. As more Forests are able to issue drafts, we will then be in a better position to assess the total results of our current planning on all the State's resources.

As we move toward the Finals, I will use the total results from Forest Plans to guide me in making final decisions.

I appreciate your concerns for the welfare of Oregon, especially for its continued employment and economic stability. Let me assure you I have the same concerns. As we move ahead, I will keep you abreast of our progress.

Sincerely,

TOM COSTON

TOM COSTON
Regional Forester

Senator McClure. Senator Symms.

Senator Symms. Thank you, Mr. Chairman, and thank all you for your testimony. I couldn't help but note, Mr. Chairman, that in Al Arnzen's statement he makes the comment that Idaho County has 5,464,060 acres. That's five times the size of the State of Delaware, or nine times the size of the State of Rhode Island, to put in perspective how big an area it is. You've lived around here all your life. And what you are saying is if we keep the allowable timber cut available so we can maintain the current level, in your judgment, will that be overcutting anything?

Mr. Arnzen. I'm not an expert on timber allowable and what it would take, but the 48 percent that you talked about previous, I believe that that's correct. I don't see any problem with that.

Senator Symms. Well, that's what the plan calls for is to cut 48 percent of the growth. Now that's a wide-ranging question and so forth, and it doesn't all—there are some places where they would want to cut it out faster than it's growing and others they wouldn't. But in terms of accomplishing this and still protecting the environment, because I know all of you here that are involved in the schools are also interested in the environment and the students are, but what you're asking for is a balanced position; is that not right?

Mr. Arnzen. That's correct.

Senator Symms. OK. Well, thank you very much for very excellent statements. And Senator McClure made a suggestion this morning in Emmett that I would make again. You've got some good statements here, and I would think that it would be appropriate for the superintendents of the school districts in these affected areas to write an Op-Ed piece for the Lewiston Morning Tribune. And I'm certain that the paper would be interested in publishing that. That would be very helpful for the community to see what the impact is, because I think—when you start listing these numbers of how much money it is in one specific school district, and I'm sure it's about the same on any of the timber-dependent communities, it's really a graphic number of importance to the quality education and the way we're going to be able to educate our children. We don't have to worry about 10 years from now, I'm talking about right now. And I would urge you to do that and hope that you would do it, because I think it would be helpful in the whole planning process to get that done. Thank you.

Senator McClure. There have been several comments in the hearings we have had to date, and we got one from you, Mr. Moffett, earlier, that there's concern about the Federal budget in the area of natural resource planning. I certainly agree with that. I've had a problem with that ever since I have been in the Congress, because whenever there is any alternative choices to be made, social welfare income/security income maintenance programs seem to be allowed to grow without restraint. And those who, like myself and you, want to have consistent long-term natural resource management find ourselves up against the wall because there doesn't seem to be an immediate payoff to that kind of funding for long-term management.

So natural resource management tends to be hurt in the budget cycle. And I don't blame you for being worried about it; so am I.

And I'll pledge to you that I will continue to do the very best that I can to get adequate funds in the Federal budget in spite of the pressures to cut them. We've already seen what the House of Representatives is proposing in this area this year, and they are drastic cuts proposed under the pressures of budget constraints.

I'm going to have a dickens of a time in this subcommittee as we meet with the House of Representatives to restore those funds which they have cut from the budget. I've had that problem every year since I have had this job. We've been successful so far, and I hope we'll be able to maintain that degree of success. As a matter of fact, there are more moneys going into the kinds of specialized management objectives that you have identified, more money now than ever before in our history. And I applaud that because I think it is necessary, I think it is supportable, and I'm going to argue very strongly for it.

I will make an assumption—I'm sure it is an assumption that is not without basis—that the national organizations of which the Nez Perce are members will also make that point to our friends in the Congress. And I hope they will respond appropriately.

Mr. Moffett. I'm sure they will, Senator. The remaining comments that I had from my presentation is more of an observation. The timber revenues that are projected are being viewed as a panacea for the economic woes of Idaho, which they cannot solve without environmental degradation as far as we're concerned.

Senator McClure. Well, I think we have to seek a balance, but I know that Idaho can't stand any further depressant on our economy. It's already doing badly.

Mr. Moffett. Yes; we've known that for years, Senator, as you well know.

Senator McClure. Yeah. And so I don't think we can afford because it's bad or because—to throw out some more of our economy or our economic base. As a matter of fact, we would spend millions of dollars in economic development funds just trying to get new industry in. And it would take us million of dollars of expenditure and a lot of effort just to replace what we might lose but don't have to lose in timber management.

I certainly, along with everyone else, recognize that there are offsets involved in almost everything that we do. And there is very little gain that doesn't have some cost. Our challenge is to balance that as well as we can.

I want to refer to Mr. Trappet's concerns about council, because I think, as you know, I spent many—my grandparents lived there and I spent all of my growing up years in summer vacations on their ranch up in Hornet Creek. And I watched as that mill was built, and I watched as the big west coast diesels started hauling loads down Hornet Creek to that mill.

You've talked about what would happen to the community if you lost the forest receipts. What would happen to your community if the mill were lost?

Mr. Trappet. I'm afraid we'd almost dry up and blow away. We lost one-third the—I accepted the superintendent seat in council on July 13, and on July 15 they cut one full shift of that mill, which dropped us automatically about two units of funding from the State which we had to make up. And right now we're at the point that if we lost either part of the mill or we lose forest funds, we're going to have problems meeting some of the State requirements in education. And we have worked very closely with Boise Cascade and the Forest Service there in our schools and things like that, but it would be devastating to us and to the community if the mill was to close.

Senator McClure. Well, certainly Adams County is not the wealthiest county in the State on a per capita basis or any other measure other than aesthetics. It's a marvelous place to live in that respect. My grandfather was a member of the State senate who sponsored the legislation that created Adams County. I guess I have some personal stake in seeing that it is at least maintained. I think you have a tough job. I think we all have a tough job in this period of economic downturn in our country.

I want to comment again, as I did in Emmett, because we got from the State's—from the school superintendents there the same comment we got here with respect to the difference between 25 percent of gross revenues and 25 percent of net revenues. Both Steve and I were serving in the Congress when we were able to reverse what had been gradually creeping into that system over the years. And I'll guarantee you that both of us will go down fighting if we go down at all before they'll turn back the other way in spite of the suggestions that come up occasionally that we ought to undo that direction which we both supported so strongly.

Thank you, gentlemen, very much for your testimony here today. I appreciate it.

STATEMENTS OF:

RICHARD G. BENNETT, PRESIDENT, SHEARER LUMBER CO., ELK CITY, ID

DONALD COMSTOCK, REPRESENTING CLEARWATER FOREST INDUSTRIES OF KOOSKIA AND IDAPINE MILLS

DONALD KONKOL, PRESIDENT AND GENERAL MANAGER, KONKOLVILLE LUMBER CO., INC.

MARLIN CLAUSNER, RESOURCE MANAGER, POTLATCH CORP.

Senator McClure. Next panel is Dick Bennett; Bob Krough, although I believe Don Comstock may be pinch-hitting for him; Don Konkol; and Marlin Clausner.

The panel No. 4 members can come to the front of the room: Amber Thiemens, George Tikkanen, Orville Peterson, and Ed Johnson.

Senator Symms. Mr. Chairman, if I might just make mention of something before the panel starts, with reference to the superintendents that were just up here, we've heard from several very fine superintendents of schools in this State today.

Senator McClure. Could I interrupt just a moment? Can you hear in the back of the room?

Unidentified Woman. No; not very good.

Senator McClure. Is there a way of turning it up a little? We do need the air, but we'll try to get the volume a little higher.

Senator Symms. I can speak a little louder. I just was saying that we've heard from several very fine superintendents of schools in Idaho today about the importance, and yesterday about the importance, of the forest funds with respect to the education of our children in the State. And I might just note that in our neighboring State of Oregon, on February 18, 1986, that the Governor of Oregon, Victor Atiyeh, wrote a letter to the regional forester of the region in Portland asking the Forest Service to hold up on the forest plans because of the importance of the impact of the timber sales in Oregon and how it impacted the economy, the communities, the education, and so forth.

And I would just like to note the difference between the leadership in the neighboring State of Oregon and the leadership of vacillation that we received in this State.

And I would like to ask unanimous consent to put this letter from Governor Atiyeh and the response from regional forester Tom Coston in the record right immediately following the statements of the superintendents of schools because I think it's appropriate, if what we're talking about is the lifeblood of our communities, our educational system, our economies. I'm for tourism and all that, but most of the tourists don't buy refrigerators, they don't buy stoves, they don't buy automobiles. We like to have them come here and spend their money, but there's a difference in the impact, in the lasting impact on the economy and how it works on the people that live here. I think that needs to be noted.

Senator McClure. That letter will be made part of the record. Mr. Bennett.

STATEMENT OF RICHARD G. BENNETT

Mr. Bennett. Thank you, Mr. Chairman. Contrary to the obituaries I've been hearing, the lumber industry is alive and kicking.

I'm Dick Bennett, president of Shearer Lumber Products in Elk City, ID. I appreciate this opportunity to appear before this committee and share our concern over what we believe is an inadequate allowable sale quantity in the draft Nez Perce plan.

Our mill in Elk City has an annual usage of approximately 20 million board feet of logs. The Elk City mill also happens to be the largest employer in the Elk City area, and almost singlehandedly supports the local economy. Our Elk City mill employs 80 people who were paid over $1.75 million in wages in 1985. We also paid $1.836 million to contract loggers, another $1.862 million to roadbuilders. In addition, $157,000 was paid to transport our lumber from Elk City to the railhead at Kooskia. These payments totaled over $4.6 million in direct labor and contract costs. The bulk of this money stays in north Idaho and helps to support several hundred families in the Elk City area.

To put the matter in its simplest terms, Elk City needs our mill, and we, in turn, need Nez Perce timber in sufficient, economical quantities if we are to remain in business. There is no alternative source of timber, and we will live or die by the Forest Service's timber sale decision. We only wish the Forest Service understood that as well as our millworkers and loggers do.

The debate over the Nez Perce draft plan is one more piece of evidence that the preservationist's guiding principle is: What's mine is mine; and what's yours is negotiable. Resource management decisions on this forest are characterized by broken promises and recurrent arguments over proposed uses for areas where many of us thought decisions had already been finalized.

Consider what has happened here. The Gospel Hump compromise promised more timber. The central Idaho wilderness report clearly identifies specific roadless areas where Congress expected and urged timber harvesting to proceed. Yet Nez Perce timber sales have declined steadily since passage of these items, and we find ourselves tied up in litigation or debate over roads and logging in East Meadow Creek and proposed roads in the Jersey Jack area—the very area specifically released by Congress for timber harvesting.

On the Nez Perce, my company and other companies which operate here must make major investment decisions in the future of our mills in an extremely uncertain climate. In summary, here is what we are faced with: Nearly one-half the Nez Perce is already wilderness. This amount is certainly adequate to meet the demands of wilderness-based recreation, yet we still are fighting over areas previously set aside by Congress for future timber harvests.

On the nonwilderness lands, this forest grows 196 million feet of timber each year, yet the maximum amount which could be sold under the draft plan is only about one-half of this amount.

Internal planning documents show that alternatives which allow for more timber do not significantly modify stream impacts from alternatives with less timber.

One of the plan's alternatives highlights the facts the Nez Perce could sell 157 million feet each year and still meet all statutory and self-imposed requirements to produce big game, fish, and recreation of all types.

We are seeking an allowable sale quantity of 120 million board feet, only 61 percent of annual growth on nonwilderness lands in the Nez Perce. We emphasize the allowable sale quantity is not the amount that will be sold. As you understand very well, annual appropriations set the actual sale level, but only within the general ceiling set by the allowable sale quantity.

Given the facts on the Nez Perce, we are baffled by the Forest Service's reluctance to set a sale quantity at a level which at least holds the opportunity of long-term stability for our industry. The timber is there, we need it, and harvesting it will not destroy other resource values. Moreover, any reasonable assessment of the relative data will show that central Idaho's economy is, to a great extent, driven by the forest products industry.

Quite honestly, we have reached the conclusion that only Congress can impress upon the Forest Service the need to establish a reasonable allowable sale quantity. We have made our points to the Forest Service, and have been largely ignored. In a recent meeting with senior Forest Service officials, we were told that: One, the allowable sale quantities are sufficient to meet industry's future needs. Two, more timber produces political headaches which the Forest Service seems unwilling or unable to endure. Three, a wilderness bill would be most helpful. And four, forest planning decisions are difficult; the agency expects to please very few and anticipates legal challenges regardless of the shape of the final plan.

With that attitude, we are not optimistic that the Forest Service will support and defend an adequate allowable sale quantity. We feel Congress must carefully watch over these decisions if local economies are to be protected. For this reason, we applaud your decision to hold these hearings and appreciate the opportunity to testify.

Thank you.

Senator McClure. Thank you. Mr. Comstock.

STATEMENT OF DONALD COMSTOCK

Mr. Comstock. Mr. Chairman, I am Donald Comstock representing Clearwater Forest Industries of Kooskia and Idapine Mills here in Grangeville. Together these two mills provide employment for some 280 people, which makes us the largest private employer in Idaho County. There are many other people who depend upon the continued operation of our two plants. They range from loggers, to roadbuilders, to suppliers, and a majority of other small businesses in the area.

To maintain our economic contribution to Idaho County, we need to process 100 million board feet of logs annually. Most of this timber must come from the Nez Perce and Clearwater National Forests because only a minor amount of State and private timber is available here.

As you know, consumption of softwood lumber here in the United States has never been greater. However, even during this period of tremendous demand, lumber prices have remained depressed. We believe this is due primarily to the large volume of inexpensive lumber coming into the United States from Canada.

In order to compete with the Canadians, Idaho lumber producers have taken a variety of actions. To become more competitive, we have modernized our sawmills as fast as our pocketbooks will allow. In addition, our millworkers have made considerable sacrifices to save their jobs, including wage cuts and benefit reductions.

While our attention has been focused on cutting costs and improving efficiencies, the Forest Service has been preparing the first round of forest plans, plans that will affect our raw material supply for many years to come.

Unfortunately, all of the draft plans we have reviewed call for significant reductions in timber sale levels. And from what we can gather, the final plans will be even worse. Such an outcome is unacceptable to us and the forest products industry has put the Forest Service on notice that will be forced to appeal the plans unless timber sale programs are maintained at adequate levels.

From what we have been told, the final Nez Perce plan, for example, will authorize a maximum timber sale program of 102 million board feet for the next decade. However, this represents an upper limit and the actual volume of timber sold will undoubtedly be less. A sale program of this magnitude will not sustain the mills which currently draw timber from this forest. The short-term result will be a major bidding war; the long-term result will be mill closures and increased unemployment.

Industry analysts have calculated that to simply maintain the current level of lumber production in this area, the Nez Perce Forest should offer and sell at least 120 million board feet of timber each year during the next decade. There is no valid reason why they cannot reach that goal. New inventory data compiled during the forest planning process shows that there are sufficient volumes of timber throughout the forest to meet this and other resource objectives.

However, the whole approach to national forest management today seems to be heading toward custodial management, with little regard for the economic consequences. No national forest in Idaho is planning to offer sufficient timber volumes to meet present let alone future needs. And yet, no one has looked to see how this will affect the total State economy. It is a simple fact that the Forest Service cannot reduce timber sale levels on the Nez Perce, Clearwater, and Payette National Forests and expect to maintain the timber-based economy of central Idaho.

In addition to the cumulative economic effects, the Forest Service has not considered how reduced timber sale levels will affect their ability to manage emergency situations. And let me provide an example. The severe mountain pine beetle epidemic is developing on the Red River District of the Nez Perce Forest. Forest scientists say that one of the best ways to control this forest pest is through an active timber management program that involves accelerated shelterwood harvests of susceptible mature trees and the thinning of young stands to increase their vigor and reduce their susceptibility to beetle attacks. However, you cannot have an insect control program like I have described unless there are mills nearby with sufficient capacity to process the timber.

In recent years, many mills have closed permanently throughout central Idaho. Federal timber policies were in large part responsible for these closures. Now we are approaching the point where there is insufficient mill capacity to deal sufficiently with emergencies such as insect epidemics of major wildfires.

We believe that Federal policies must be turned around so America's wood products needs are met with resources from our own forests. We cannot afford to continue buying resources—excuse me, buying from other countries when we have the ability to be self-sufficient.

It is widely acknowledged that Canada cannot continue to produce lumber at the present rate, and we must ask ourselves just what will happen when Canadian production slows down. With the Government's negative attitude about increased timber production from the national forest during the coming years, it appears that the domestic industry will not be able to fill the gap. It will be truly ironic if the United States, with the most productive softwood forests in the world, becomes dependent upon outside sources to meet our wood product needs.

In closing, let me say that we are very grateful for the level of interest which all of you have demonstrated for the problems facing the timber industries in Idaho. If together we can stop the flow of subsidized lumber from Canada and make sure that a steady supply of national forest timber will be available to meet the raw material needs of northwest mills, tomorrow will indeed be a brighter day for everyone who makes their living in Idaho's forest and sawmills.

Thank you for the opportunity to make this statement.

Senator McClure. Mr. Konkol.

STATEMENT OF DONALD KONKOL

Mr. **Konkol.** Thank you, Senator. I am Don Konkol, president and general manager of Konkolville Lumber Co., Inc., near Orofino, ID. We're a family corporation that has been in the forest products business in Clearwater County since 1947. In addition to the sawmill, planer, and logging, we operate a motel, restaurant, tavern, and lounge in the community. Konkolville Lumber Co. and its subsidiaries employ 129 people. Last year, 1985, our company contributed a total payroll and related payroll costs from all operations of $1,750,000. The majority of this money stayed in Orofino, a city of approximately 3,600 people heavily dependent on the forest products industry.

The year 1985 also marked the fifth consecutive year our company lost money. There cannot be a sixth year or we'll have to dissolve the corporation.

What have we done in the last 5 years? We've invested several hundreds of thousands of dollars for plant modernization. These modernization projects began in the early 1980's in planning for the future to put our company in a more competitive position. This was all done on borrowed money and, consequently, all we have been able to do is pay the interest on the debt with little or no interest on the principal. The fruits of this decision has been the following: We have increased our production and reduced manufacturing costs on a per million basis, despite a steady increase in fixed costs during this period of time, such as electrical power and all insurance coverages.

As you know, these have been hard financial times for the lumber industry, despite record consumption in the United States. The mills surviving today are ones which have improved efficiency and their competitive position. However, the trends we see in future timber supplies could wipe out any gains which we have made in efficiency. The timber supply issue takes two forms—the physical availability of timber and its affordability.

The harvest from private timberlands in Idaho is expected to decline from slightly less than 50 percent of total production to only about one-third by the year 2000. While the industry lands are being managed to grow crops of trees, much of the land owned by individuals is not. Trees eventually will grow back on these individual ownerships, but it will take longer than on the industrial land, and there is no certainty that the second crop will ever be harvested. That depends upon each landowner's individual goals for his land. In the meantime, it is unlikely that very much timber from the industrial forest lands will be sold on the open market, as it is used to offset expensive or declining amounts of Federal timber in those mills. Small operators like ourselves will become increasingly dependent on timber from the national forests.

Last summer, Nick Chenowith, Alex Irby, and myself gave 17 seminars in an attempt to educate and help inform people of Clearwater County what the Clearwater national plan meant to us. Here are some of the facts that we presented. The Clearwater National Forest is a total of 1,837,000 acres. However, timber harvest is only being recommended on 404,000 of these acres. Timber harvest is possible on 997,000 acres. The proposed sales level of 150 million board feet is an 8- to 9-percent drop from recent annual offering. The Clearwater is not selling its fair share of timber. The Clearwater Forest is potentially one of the most productive forests in the region. Even with the constraints of timber management, the proposed suitable land base can grow 443 million per year; nearly three times more than the volume sold in the plant. The final analysis shows that the forest can produce in excess of 200 million board feet and still meet needs and environmental standards for other uses. According to the plan, mills using Clearwater timber are capable of processing 478 million feet of logs annually. Timber unavailability can shut down Idaho's timber industry even though lumber demand may be high. When there is a shortage of timber, the battle goes to the bidding table. Oftentimes the successful bidder of the timber is a monetary loser because a successful bidder will normally bid the timber at a loss just to keep his plant going.

There are other impacts on these resources and other values.

An annual sale program of 200 million board feet could be met and the harvest could provide a 34-percent increase in the size of the elk herd in the first 10 years of the plan. Over the next 15 decades, cutting timber on winter range could produce more potential elk forage than burning. Timber and elk should be considered twin crops. Road closures can be used where needed to protect wildlife from undue harassment during certain periods of the year. The present plant calls for nine different uses on the forest. We cannot see this, as most of those uses can be combined with multiple use for the good of all the community.

Our industry analysts have told the Clearwater that it should plan on offering at least 200 million board feet per year for the next decade just to maintain the present industry. This alternative was fully implementable and met all the legal requirements for environmental protection. Yet, it was not chosen apparently for political reasons. It seems to me that the Forest Service should leave the political decisions to people like yourselves and work for what is best for the community. We need increases in this planning cycle not beginning the year 2000.

When it is all put together—less timber which will mean more expensive timber coupled with higher operating costs—we are bound to lose more mills because what little profit margin this is in today's market will vanish. With the mills go jobs, payrolls, taxes, dollars spent locally on supplies, and our way of life. The Forest Service has not taken any of this into account, and I hope you will insist that they do so in a way that the public can understand before letting them go any farther with the plans. Consequently, we ask that no more plans be released until the Forest Service shows us the cumulative economic impacts of its decisions and takes the steps to insure the survival of dependent communities. I hope our family business lasts another 40 years, but if current trends continue, I'm certain it will not.

Thank you for listening to me, gentlemen.

Senator McClure. Thank you. Mr. Clausner.

STATEMENT OF MARLIN CLAUSNER

Mr. CLAUSNER. Mr. Chairman, I'm Marlin Clausner, resource manager for Potlatch Corp., in Lewiston. Potlatch is a tree farmer and converter of forest products. We own timberland in northern Idaho, Arkansas, and Minnesota. At each of these locations we manufacture solid wood building materials as well as pulp-based products. In Idaho, we employee 3,500 with a payroll of approximately $100 million per year.

Mr. Chairman, we do not believe that the sum of sawtimber growth from private lands, sustainable yield from other public holdings, and the allowable sale quantities from the five northern Idaho national forests will be sufficient to maintain the industry at current levels.

I'd like to offer two perspectives on that situation, national and local.

From an overall national perspective, we believe that over the remainder of this century, the vast resources of mature softwood sawtimber on public lands in the West will assume greater importance. It is well documented that Canadian forests cannot sustain current high harvest levels without depleting the economically operable inventory in the country. Similarly, the relatively low level of reforestation on the private, nonindustrial land in the South calls into question previous optimistic outlooks for adequate softwood timber from that area. Meanwhile, Idaho national forests grow about twice the amount of wood harvested each year, and they will contain vast renewable resources of wood as supply from these other geographic areas diminishes.

The recently released 1985 RPA Program recognizes these general trends in supply plus rising demand for timber in this country throughout the next 45 years. To paraphrase briefly from that document:

Long-run projections based on expected increases in population, economic activity, and continuation of the price trends over the past 30 years show that the demand will continue to grow to a level about 74 percent greater by the year 2030 than the current domestic harvest level.

The supplies of timber that will be available to meet these demands, assuming a continuation of recent trends in forest management, shows longer increases which will result in rapid increases in the prices of timber and timber products as the market seeks equilibrium between demand and supplies.

Turning now to Idaho, the future of our forest products industry will be determined by the cumulative allowable sale quantities from the five northernmost national forests—the Idaho Panhandle, Clearwater, Nez Perce, Payette, and Boise. And if I can get Mr. Konkol to hold up the chart, it will help elaborate what our local Nez Perce-Clearwater supply and demand situation is without my taking time to go over it in detail.

As already stated, the combined allowable sale quantities for these five national forests reflect only 48 percent of their potential annual growth, and fall far short of reflecting the volume which will allow the forest products industry to maintain its current level of operations.

In our case, the Clearwater National Forest represents a major source of timber supply. That national forest, for example, in their draft plan, proposes an allowable sale quantity of 150 million board feet per year and more recently has stated that figure may have to be further reduced. Due to the importance to us of the Clearwater plant, our resource staff has spent considerable time evaluating the plan and developing what we consider to be a reasonable alternative, which not only will allow substantial increase in allowable sale quantity but also meet all of the environmental requirements of the law. Our alternative was processed by the planning staff of the Clearwater National Forest to determine what type of commodity outputs might result if it were to be implemented. The results change from 235 million board feet per year down to 167 per year in the first decade, depending upon the level of constraints which were applied for other discretionary considerations such as old growth timber, winter range for big game, riparian areas, and other high value resources. One consideration alone, that if reparian areas, results in a variation of 64 million feet a year.

In other words, in the Forest Service's most rigid interpretation of our alternative, they can achieve a harvest level 167 million board feet per year. The problems of operating in riparian areas can be worked out so that substantial timber can be harvested while giving proper consideration to important watersheds and habitat characteristics of those areas.

In our view, common sense resource management can be utilized on a site-specific basis to make dramatic increases in the timber harvest levels proposed on the national forests. These increases can be achieved while maitaining all of the necessary environmental protection required by the other uses of our public land.

Through these means, we feel the Forest Service can harvest timber at levels that more nearly reflect their productive capabilities, and meet the responsibility to Idaho communities by playing a significant role in maintaining the economic viability of this region.

Thank you.

PREPARED STATEMENTS

Senator McClure. Thank you. Your prepared statements will be inserted in the record at this point.

[The statements follow:]

STATEMENT OF RICHARD G. BENNETT

I am Richard G. Bennett, President, Shearer Lumber Company in Elk City, Idaho. I appreciate this opportunity to appear before the Subcommittee and share our concern over what we believe is an inadequate allowable sale quantity in the draft Nez Perce plan.

Our mill in Elk City is the smallest of my family's three mills, and has an annual usage of approximately 20 million board feet of logs. The Elk City mill also happens to be the largest employer in the Elk City area, and almost single handedly supports the local economy. Our Elk City mill employs 80 people who were paid over $1,750,000 in wages in 1985. We also paid $1,836,000 to contract loggers and another $1,862,000 to road builders. An addition $157,000 was paid to transport our lumber from Elk City to the rail head at Kooskia, Idaho. These payments totaled over $4,600,000 in direct labor and contract costs. The bulk of this money stays in North Idaho and helps to support several hundred families in Elk City.

To put the matter in its simplest terms, Elk City needs our mill, and we, in turn, need Nez Perce timber in sufficient, economical quantities, if we are to remain in business. There is no alternative source of timber, and we will live or die by the Forest Service's timber sale decisions. We only wish the Forest Service understood that as well as my mill workers and loggers do.

The debate over the draft Nez Perce plan is one more piece of evidence that the preservationist's guiding principle is "What's mine is mine; what's yours is negotiable". Resource management "decisions" on this forest are characterized by broken promises and recurrent arguments over proposed uses for areas where many of us thought decisions had already been finalized.

Consider what has happened here. The Gospel Hump "compromise" promised more timber. The Central Idaho Wilderness report clearly identified specific roadless areas where Congress expected and urged timber harvesting to proceed. Yet, Nez Perce timber sales have declined steadily since passage of these acts and we find ourselves tied up in litigation or debate over roads and logging in E. Meadow Creek and proposed roads in the "Jersey-Jack" area--the very areas specifically released by Congress for timber harvesting!

On the Nez Perce, my company and the other companies which operate here must make major investment decisions in the future of our mills in an extremely uncertain climate. In summary, here is what we are faced with:

* Nearly one-half the Nez Perce is already wilderness. This amount is certainly adequate to meet the demands of wilderness-based recreation, yet we still are fighting over areas previously set aside by Congress for future timber harvests.

* On the non-wilderness lands, this forest grows 196 million feet of timber each year, yet the maximum amount which could be sold under the draft plan is only one-half this amount.

* Internal planning documents show that alternatives which allow for more timber do not significantly modify stream impacts from alternatives with less timber.

* One of the plan's alternatives highlights the fact that the Nez Perce could sell 157 million feet each year and still

meet all statutory and self-imposed requirements to produce big-game, fish, and recreation of all types.

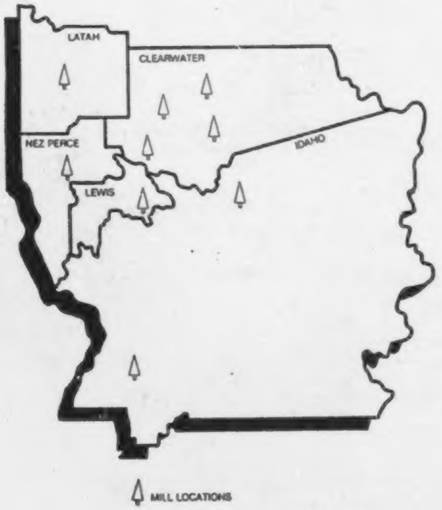
We are seeking an allowable sale quantity of 120 million board feet, only 61 percent of annual growth on non-wilderness lands in the Nez Perce. We emphasize that the allowable sale quantity is not the amount which will be sold. As you understand very well, annual appropriations set the actual sale level, but only within the general ceiling set by the allowable sale quantity.

Given the facts on the Nez Perce, we are baffled by the Forest Service's reluctance to set a sale quantity at a level which at least holds the opportunity of long-term stability for our industry. The timber is there, we need it, and harvesting it will not destroy other resource values. Moreover, any reasonable assessment of the relevant data will show that central Idaho's economy is, to a great extent, driven by the forest products industry.

Quite honestly, we have reached the conclusion that only Congress can impress upon the Forest Service the need to establish a reasonable allowable sale quantity. We have made our points to the Forest Service, and have been largely ignored. In a recent meeting with senior Forest Service officials, we were told that (1) the allowable sale quantities are sufficient to meet industry's future needs, (2) more timber produces political headaches which the Forest Service seems unwilling or unable to endure, (3) a wilderness bill would be most helpful, and (4) forest planning decisions are difficult; the agency expects to please very few and anticipates legal challenges regardless of the shape of the final plan.

With that attitude, we are not optimistic that the Forest Service will support and defend an adequate allowable sale quantity. We feel Congress must carefully watch over these decisions, if local economies are to be protected. For this reason, we applaud your decision to hold these hearings and appreciate the opportunity to testify.

CENTRAL IDAHO WORKING CIRCLE
(CLEARWATER, NEZ PERCE NAT'L FORESTS)



INSTALLED MILL CAPACITY — 662 MMBF

TIMBER INDUSTRY EMPLOYEES — 5,220

PRIVATE SAWTIMBER	
GROWTH	220,685 MBF
HARVESTS	519,882 MBF

PERCENT HARVEST OF GROWTH — 235%

NATIONAL FOREST SAWTIMBER	
MAX TIMBER ALT (GROWTH)	522,000 MBF
ASQ (HARVEST)	250,000 MBF

PERCENT HARVEST OF GROWTH — 48%

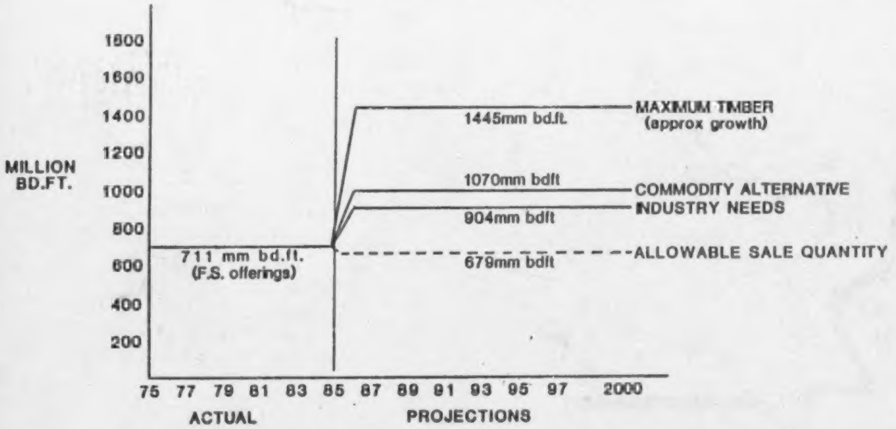
Table 1. Proposed Sale Quantities And Actual Yearly Needs
(Million Board Feet)

Forest	Draft Allowable Sale Quantity	Projected Need	"The Gap"
Panhandle	275	340	65
Clearwater	150	215	65
Nez Perce	100	125	25
Payette	74	95	21
Boise	80	120	40
Total	679	896	216

Table 2. Local Economic Effects Of The "Gap"

Forest	Effected Counties	Direct Job Loss	Secondary Job Loss	Annual County Road Funds Lost	Annual School Funds Lost
Panhandle	Bonner Boundary Kootenai Shoshone Benewah	553	1383	$614,250	$263,250
Clearwater	Clearwater Idaho Latah Shoshone Benewah	553	1383	$489,125	$209,625
Nez Perce	Idaho	212	531	$188,125	$ 80,625
Payette	Adams Valley Idaho Washington	179	448	$147,000	$ 63,000
Boise	Boise Elmore Gem Valley	340	850	$147,000	$ 63,000
Totals		1,837	4,595	$1,585,500	$679,500

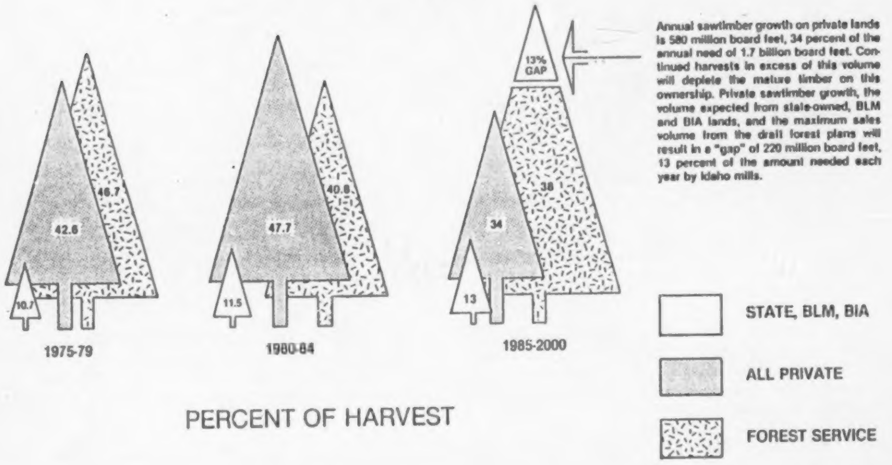
SALE PROGRAM OPTIONS*



* PANHANDLE, CLEARWATER, NEZ PERCE, PAYETTE, BOISE NAT'L FORESTS

IDAHO'S TIMBER SUPPLY

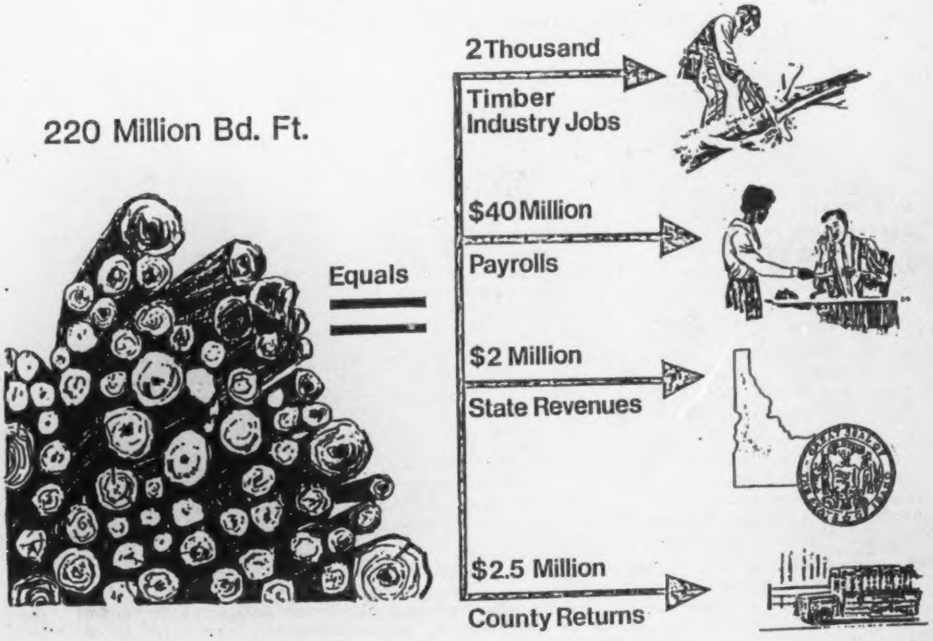
(Represents Total Annual need of 1.7 Billion Board Feet)*



Annual sawtimber growth on private lands is 580 million board feet, 34 percent of the annual need of 1.7 billion board feet. Continued harvests in excess of this volume will deplete the mature timber on this ownership. Private sawtimber growth, the volume expected from state-owned, BLM and BIA lands, and the maximum sales volume from the draft forest plans will result in a "gap" of 220 million board feet, 13 percent of the amount needed each year by Idaho mills.

* exclusive of Southwest Idaho

Impact on the People of Idaho


220 Million Bd. Ft.
Equals
2 Thousand
Timber Industry Jobs
$40 Million
Payrolls
$2 Million
State Revenues
$2.5 Million
County Returns

STATEMENT OF ROBERT H. KROGH, OWNER/OPERATOR, CLEARWATER FOREST INDUSTRIES IDAPINE MILLS, INC.

Mr. Chairman, I am Robert H. Krogh owner and operator of two sawmills in Idaho County -- Clearwater Forest Industries[1] based in Kooskia and Idapine Mills[2] located in Grangeville. Together, these two mills provide employment for some 280 people, which makes us the largest private employer in Idaho County. There are many other people who depend upon the continued operation of our two plants. They range from loggers, to road builders, to suppliers, and the majority of other small businesses in the area.

To maintain our economic contribution to Idaho County, we need to process 100 million board feet (MMBF) of logs annually.[3] Most of this timber must come from the Nezperce and Clearwater National Forests because only a minor amount of state and private timber is available here.

As you know, consumption of softwood lumber here in the United States has never been greater. However, even during this period of tremendous demand, lumber prices have remained depressed. We believe this is due primarily to the large volume of inexpensive lumber coming into the U.S. from Canada.

In order to compete with the Canadians, Idaho lumber producers have taken a variety of actions. To become more competitive, we have modernized our sawmills as fast as our pocketbooks will allow. In addition, our millworkers have made considerable sacrifices to protect their jobs, including wage cuts and benefit reductions.

While our attention has been focused on cutting costs and improving efficiencies, the Forest Service has been preparing the first generation of forest plans required by the National Forest Management Act. There is no question that these plans will affect our raw material supply for many years to come.

Unfortunately, all of the draft plans we have reviewed call for significant reductions in timber sale levels and, from what we can gather, the final plans will be even worse. Such an outcome is unacceptable to us and the forest products industry has put the Forest Service on notice that we will be forced to appeal the plans unless timber sale programs are maintained at adequate levels.

In order to provide you with specific information about the problem we are facing, let's use the proposed Nezperce Forest Plan as an example.[4]

An Inadequate Timber Sales Program is Proposed

The proposed Plan for the Nezperce National Forest has been completed here at the Forest-level and sent to the Regional Forester in Missoula. As you know, a final decision by the Regional Office has been withheld pending the outcome of the cumulative economic review which is now underway. While the final Plan recommended by the Forest has not been made public, we have had numerous discussions with the Nezperce Forest Supervisor and other officials about the direction in which they are headed.

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[1] The Clearwater Forest Industries mill in Kooskia produces dimension lumber and employs 116 people with two operating shifts. The mill has operated continuously since 1974. During the past twelve years, we have completely modernized this facility.

[2] The Idapine mill provides employment for 167 people in the manufacture of dimension lumber. Since 1984, we have completely redesigned this facility and have begun the installation of state-of-the-art computer equipment in order to improve its operating efficiencies.

[3] Annual raw material needs for the Clearwater mill are 40 MMBF, nearly all of which comes from the National Forest System. We expect to purchase about 20 MMBF from each of the Clearwater and Nezperce National Forests. The Idapine mill needs a minimum of 60 MMBF of sawlogs on an annual basis nearly all of which must come from the Nezperce.

[4] I have chosen to concentrate on the Nezperce Forest in this statement. This does not imply that I am any less worried about the situation on the Clearwater National Forest. It simply means that I do not want to duplicate what others will say about the situation on the Clearwater. I will not repeat, but would certainly reinforce their concerns about the direction in which the Forest Service is headed on that forest as well.

From what we have been told, the final Plan will authorize a maximum timber sale program of 102 MMBF for the next decade. However, the 102 MMBF represents an upper limit and the actual volume of timber sold will undoubtably be less. A sale program of that magnitude will not sustain the mills which currently draw timber from this Forest. The short-term result will be a major bidding war; the long-term result will be mill closures and increased unemployment.

Industry analysts have calculated that to simply maintain the current level of lumber production in this area, the Nezperce Forest should offer and sell at least 120 MMBF of good quality timber each year during the next decade. There is no valid reason why they cannot reach that goal.5/ New inventory data compiled during the forest planning process shows that there are sufficient volumes of timber throughout the Nezperce Forest to meet this and other resource objectives.

However, the present approach to national forest management appears headed towards custodial management -- with little or no regard for the economic consequnces. No national forest in Idaho is planning to offer sufficient timber volumes to meet present, let alone, future needs. And yet, no one has looked to see how this will affect the total state economy. It is a simple fact that the Forest Service cannot reduce timber sale levels on the Nezperce, Clearwater, and Payette National Forests and expect to maintain the timber-based economy of central Idaho.

The Government's Ability to Cope with Emergencies Would be Reduced

In addition to the cumulative economic effects of the proposed forest plans, the Forest Service has not considered how reduced timber sale levels will affect their ability to manage emergency situations. A specific example will illustrate this point:

A severe mountain pine beetle epidemic is developing on the Red River District of the Nezperce Forest. Forest scientists say that one of the best ways to control this forest pest is through an active timber management program that involves accelerated shelterwood harvests of susceptible mature trees and the thinning of young stands to increase their vigor and reduce their susceptibility to beetle attacks. However, you cannot have an insect control program like this unless there are mills nearby with sufficient capacity to process the timber.

In recent years, many mills have closed permanently throughout central idaho. Federal timber policies were, in large part, responsible for these closures. Now we are approaching the point where there is insufficient mill capacity to deal effectively with emergencies such as insect epidemics or major wildfires.

5/The Forest Service, however, has stated that timber sales of that magnitude are not possible for two reasons. First, they say that a timber sale program in the 120 MMBF range would require entry into certain roadless areas during the current decade, and to appease environmental interests, they have decided that those areas will remain roadless and undeveloped. Second, they say that because of the Gramm-Rudman reductions and other budgetary constraints, they do not have enough available funds for a timber sale program of 120 MMBF.

Recently, Idapine initiated a Freedom of Information Act request to obtain from the Nezperce Supervisor data from their FORPLAN computer model for an allowable sale quantity of 120 MMBF. The information we received shows that the Nezperce National Forest can sell that much timber each year, manage other areas intensively for fish and wildlife, and meet all of its other resource goals. This data, Mr. Chairman, has been sent to your staff for review.

With regard to the second argument, we are convinced that the funds which are presently available for the Nezperce timber sales program could be used more effectively. For example, we recommend increased use of private sector contractors in all aspects of timber sale preparation. If cost-cutting measures such as this are not sufficient to meet the 120 MMBF goal, we hope that you and the other members of the Senate and House Appropriations Committees will increase the timber sales budget for this and other Idaho forests.

Congressional Intent has been Ignored

One of the other things which concerns us about the proposed Nezperce Forest Plan is that the Forest Service seems to have forgotten that almost half of this Forest is already set-aside in restrictive classifications. Portions of the Selway-Bitterroot Wilderness, the Frank Church Wilderness, the Hells Canyon National Recreation Area and the entire Gospel-Hump Wilderness lie within the boundaries of the Nezperce National Forest.

It seems only fair and reasonable to us that these areas where timber harvesting is prohibited should be used to meet the water quality, fish and wildlife, and undeveloped recreation demands which the Forest Service wants to shift to the non-wilderness portions of the Nezperce. These other regions of the Forest can, and should in our opinion, be managed intensively for timber production.

We are also concerned about the fact that the non-wilderness decisions which were made by Congress in the Central Idaho Wilderness Act of 1980 have been ignored during preparation of the Nezperce Forest plan. As we have told the Forest Service on numerous occasions, Congress in 1980 looked at all of the remaining roadless areas on the forest and made a decision that some of them would become wilderness and others would not.

Instead of following the clear Congressional directives to develop roadless areas like East and West Meadow Creek and Jersey Jack for the timber resources that are found in these places, the Forest Service has instead retreated to a position of *de facto* wilderness management. The Central Idaho bill promised an end to the roadless area battle here on the Nezperce, but, unfortunately, that promise has been broken by the Forest Service.

America Needs the Timber Resources of Central Idaho

Like the wilderness areas, the timber resources of the Nezperce Forest have national significance. It is appropriate that these vast resources be used to meet a portion of this nation's current and future requirements for lumber and other wood products.

We believe that federal policies must be turned around so that America's demand for lumber is satisfied with resources from our own forests. We cannot afford to continue buying lumber from other countries when we have the ability to be self-sufficient.

It is widely acknowledged that Canada cannot continue to produce lumber at the present rate, and we must ask ourselves just what will happen when Canadian production slows down. With the federal government's negative attitude about increased timber production from the national forests during the coming years, it appears that the domestic industry will not be able to fill the gap. It would be truly ironic if the United States -- with the most productive softwood forests in the world -- becomes dependent upon outside sources to meet our wood product needs.

Conclusion

In closing, let me say that we are very grateful for the level of interest which you and the other members of the Idaho Congressional delegation have demonstrated for the problems facing the timber industry in Idaho. If together we can stop the flow of subsidized lumber from Canada and make sure that a steady supply of National Forest timber will be available to meet the raw material needs of Northwest mills, tomorrow will indeed be a brighter day for everyone who makes their living in Idaho's forests and sawmills.

Thank you for the opportunity to make this statement.

STATEMENT OF DONALD KONKOL

I am Don Konkol, President and General Manager of Konlolville Lumber Company, Incorporated, near Orofino, Idaho. We are a family Corporation that has been in the forest products business in Clearwater County since 1947. In addition to the sawmill, planer and logging, we operate a Motel, Restaurant, Tavern and Lounge in the community. Konkolville Lumber Company and it's subsidaries employees 129 people. Last year, 1985, our Company contributed a total payroll and related payroll costs from all operations of $1,750,000. The majority of this money stayed in Orofino, a city of approximately 3,600 people heavily dependent on the forest products industry.

1985 marked the 5th consecutive year our Company lost money. There cannot be a 6th year or we will have to dissolve the Company.

What have we done in the last 5 years? We have invested several hundreds of thousands of dollars for plant modernization. These modernization projects began in the early 80's planning for the future to put our Company in a more competitive position. This was all done on borrowed money and consequently all we have been able to do is pay the interest on the debt with little to no payment on the principal. The fruits of this decision has been the following. We have increased our production and reduced manufacturing costs on a per M basis, despite a steady increase in fixed costs during this period of time, such as electrical power and all insurance coverages.

As you know, these have been hard financial times for the lumber industry despite record consumption in the United States. The mills surviving today are the ones which have improved efficiency and their competitive position. However, the trends we see in future timber supplies could wipe out any gains which we may have made in efficiency. The timber supply issue takes two forms--the physical availability of timber and its affordability.

The harvest from private timberlands in Idaho is expected to decline from slightly less than 50% of total production to only about one third by the year 2000. While the industry lands are being managed to grow crops of trees, much of the land owned by individuals is not. Trees eventually will grow back on these individual ownerships, but it will take longer than on the industrial land, and there is no certainty that the second crop will ever be harvested. That depends upon each landowner's individual goals for his land. In the meantime, it is unlikely that very much timber from the industrial forest lands will be sold on the open market as it is used to offset expensive or declining amounts of federal timber in those mills. Small operators like ourselves will become increasingly dependent on timber from the national forests.

Last summer Nick Chenoweth, Alex Irby and myself gave 17 seminars in an attempt to educate and help inform people of Clearwater County what the Clearwater National Plan meant to us. Here are some of the facts that we presented. The Clearwater National Forest has a total of 1,837,000 acres. However, timber harvest is only being recommended on 404,000 of these acres. Timber harvest is possible on 997,000 acres. The proposed sale level of 150M board feet is an 8% to 9% drop from recent annual offering. The Clearwater is not selling its fair share of timber. The Clearwater Forest is potentially one of the most productive forests in the region. Even with constraints on timber management the proposed suitable land base can grow 443 M feet per year. Nearly 3 times more then the volume sold in the plan. The final analysis shows that the forest can produce an excessive 200 M board feet and still meet needs and environmental standards for other uses. According to the plan mills using Clearwater timber are capable of processing 478M feet of logs annually. Timber unavailability can shut down Idaho's timber industry even though lumber demand may be high. When there is a shortage of timber the battle goes to the bidding table. Often times the successful bidder of the timber is a monetary loser. Because the successful bidder will normally bid the timber at a loss just to keep his plant going.

There are other impacts on these resources and other values.

An annual sale program of 200M board feet could be met and the forest could provide a 34% increase in the size of the Elk herd in the first 10 years of the plan. Over the next 15 decades cutting timber on winter range would produce more potential Elk forage then burning. Timber and Elk should be considered twin crops. Road closures can be used where needed to protect wild life from undue harrassment during certain periods of the year. The present proposed Clearwater Plan calls for 9 different uses on the Forest. We cannot see this, as most of these uses can be combined with multiple use for the good of all the community.

Our industry analysts have told the Clearwater that is should plan on offereing at least 200M board feet per year for the next decade just to maintain the present industry. This alternative was fully implementable and met all of the legal requirements for environmental protection. Yet it was not chosen apparently for political reasons. It seems to me that the Forest Service should leave the political decisions to people like yourselves and work for what is best for the community. We need increases in this planning cycle, not beginning the year 2000.

When it is all put together--less timber which will mean more expensive timber coupled with higher operating costs--we are bound to lose more mills because what little profit margin there is in today's market will vanish. With the mills go jobs, payrolls, taxes, dollars spent locally on supplies, and our way of life. The Forest Service has not taken any of this into account, and I hope you will insist they do so in a way that the public can understand before letting them go any further with their plans. Consequently, we ask that no more plans be released until the Forest Service shows us the cumulative economic impacts of its decisions and take steps to ensure the survival of dependent communities. I hope our family business lasts another forty years, but if current current trends continue, I am certain that it will not.

STATEMENT OF MARLIN CLAUSNER

I am Marlin Clausner, Resource Manager for Potlatch Corporation in Lewiston. Potlatch Corporation is a tree farmer and converter of forest products. We own timberland in Idaho, Arkansas and Minnesota. At each of these locations we manufacture solid wood building materials as well as pulp-based products. In Idaho we employ 3,500 with a payroll of approximately $100 million per year.

Our operations located in northern Idaho manufacture lumber, plywood, particleboard, bleached pulp and paperboard and tissue.

I'd like to thank you for the opportunity to discuss our concerns over future timber supply from the national forests in Idaho.

The prospects for long-term timber output from private land have been well discussed during these hearings. We do not believe that the sum of sawtimber growth from private lands, sustainable yield from other public holdings, and the allowable sale quantities from the five northern Idaho national forests will be sufficient to maintain the industry at current levels.

I would like to offer two perspectives on that situation - a national perspective and a local perspective.

From an overall national perspective, we believe that over the remainder of this century, the vast reserves of mature softwood sawtimber on public lands in the West will assume greater importance. It is well documented that Canadian forests cannot sustain current high harvest levels without depleting the economically operable inventory in country. Similarly, the relatively low level of reforestation on private, non-industrial land in the South calls into question previous optimistic outlooks for adequate softwood timber from that area. Meanwhile, Idaho national forests grow about twice the amount of wood harvested each year, and they will contain vast renewable reserves of wood as supply from these other geographic areas diminishes.

The recently released 1985 RPA Program recognizes these general trends in supply plus rising demand for timber in this country throughout the next 45 years. To quote from that document,

> "Long-run projections in the Assessment Supplement, based on expected increases in population, economic activity, and a continuation of the price trends over the past 30 years, show that demand will continue to grow to a level of 25.8 billion cubic feet by 2030 -- slightly less than the 1979 Assessment projection. This is about 74 percent greater than the current domestic harvest level."
>
> "The supplies of timber that will be available to meet these demands, assuming a continuation of recent trends in forest management, show slower increases. This will result in rapid increases in the relative prices (net of general inflation or deflation) of timber and timber products as the marketplace brings about an equilibrium between demands and supplies."

I'd like to summarize Potlatch's response to both long-term product demand and timber supply in Idaho.

The future of Idaho's forest products industry will be determined by the cumulative, allowable sale quantities from the five northern-most national forests - the Idaho Panhandle, Clearwater, Nez Perce, Payette, and Boise.

As already stated, the combined allowable sale quantities for these five national forests reflect only 47 percent of their potential annual growth and fall far short of reflecting a volume which will allow the forest products industry to maintain its current level of operations.

In our case, the Clearwater National Forest represents a major source of timber supply. That national forest, for example, in their draft plan, proposes an allowable sale quantity of 150 million board feet per year and more recently, has stated that that figure may have to be further reduced. Due to the importance to us of the Clearwater Plan, our resource staff has spent considerable time evaluating the plan and developing what we consider to be a reasonable alternative which not only will allow substantial increase in the allowable sale quantity but also meet all of the environmental requirements of the law. Our alternative was processed by the planning staff of the Clearwater National Forest to determine what type of commodity outputs might result if it were to be implemented. The results ranged from 235 million board feet of timber per year down to 167 million board feet per year in the first decade, depending upon the level of constraints which were applied for other discretionary considerations such as old growth timber, winter range for big game, riparian areas, and other high-value resources. One consideration alone, that of riparian areas, results in a variation of 64 million board feet annually.

In other words, in the Forest Service's most rigid interpretation of our alternative, they can achieve a harvest level of 167 million board feet per year. If they are willing to sit down with the forest operators, the problems of operating in riparian areas can be worked out so that substantial timber can be harvested while proper consideration is being given to the important watersheds and habitat characteristics of those areas.

In our view, common sense resource management can be utilized on a site-specific basis to make dramatic increases in the timber harvest levels proposed on the national forests. These increases can be achieved while maintaining all of the necessary environmental protection required by the other uses of our public lands.

In this way, we feel that the Forest Service can harvest timber at levels that more nearly reflect their productive capabilities, and meet their responsibility to Idaho communities by playing a significant role in maintaining the economic viability of this region.

Senator McClure. Senator Symms.

Senator Symms. Thank you, Mr. Chairman, and thank you, gentleman, for excellent statements. I want to quote what was stated here earlier by one of our first witnesses, and I'd like to hear what your comments are on that. It says, "The plan," speaking of the Nez Perce National Forest plan, "has provided a stable balance between all resources. It seems inconceivable to me that after the timber industry was involved in the process, they now cry wolf and spend our desperately needed revenue in a political ploy. This seems even more inconsistent, considering in the 6-year average from 1979 through 1984 the Nez Perce offered 102 million board feet of timber and 83 million board feet sold and only 65 million harvested. It seems to me that the problem of the timber industry in Nez Perce is not one of supply, but one of demand."

Now what do you gentlemen have to say about your political ploy here?

Mr. Bennett. Well, Senator, I'll start off. First off, 1979 to 1985 was the worst recession we've ever had—not recession, depression we've had in the 33 years I've been in the business—36 years I've been in the business. Many mills were shut down, curtailed during this period, and people were just trying to survive. Hanging on any way they could. We were cutting every bit of private timber we could get our hands on, the cheapest timber, trying to keep the mills going. And there's just no resemblance in that period of time to anything I've ever seen and hope I ever see again. I think that we hopefully have got the lumber distribution industries down, housing back on the road, and hopefully a resolution. We've got ourselves in a position where we can operate now, make our losses back and modernize our mills and go. But we can't do it without timber supplies.

Mr. Comstock. I'd like to talk for just a moment to this fact of offering the timber sales and then the nonpurchase of those sales, which is the implication that perhaps, you know, there was too much timber for us to really absorb and we didn't really need what we say we need.

We have talked several times in different meetings about the inability of us to purchase some of the sales that were put on the market by the Forest Service due to the gross economic situation that they gave to us. By this we did a very hard look, trying to see any way possible that we could buy some of these sales. And those that we chose not to purchase were those sales that would not make a dime at all for us. There's no way we could come out financially on those sales. We have done a lot of discussion with the Forest Service in relation to this.

I think that it's not uncommon knowledge, but I really don't think that it's that kind of a statement that, you know, that we could accept that most people normally understand. You can't operate at a loss, because you're certainly going to be mortalitied if you do.

Mr. Konkol. Well, I can't really add much more than what these two gentlemen said except agree with them. Now, whatever the reason for our company's fix is, we were logging high priced Forest Service stumpage in this period of time. And after we finished the sales and the buyout came, it was too late.

Mr. **Bennett**. Amen.

Mr. **Clausner**. Mr. Chairman, Potlatch is not currently an operator on the Nez Perce. We have been in the past. All I would add to the comments which we've heard and I agree with is that you do have to look behind the numbers to see the reasons why sales haven't sold. That includes such things as unacceptably expensive road packages, multispan logging requirements where they really are not required, the requirement to take off dead white pine and market it where there is no market for that product. There is a whole series of things that need to be looked at. It's interesting in the last few weeks I think we're all aware there have been several sales in the Nez Perce that have gone on bid. And I would suspect that's the primary reason.

Someone earlier made a comment about the large volume of timber kept under a contract by companies and, therefore, why do we scream about not having enough? You've got to look at the requirement to keep a certain amount of timber under contract as a backlog to meet your end uses with the timber that's coming off those sales. Most companies that I know of typically keep well over 1 year in backlog and up to 3 years' backlog as a normal routine means of operating. I'll stop there.

Senator **Symms**. Thank you very much. In short, this is a serious problem, you are not coming in crying wolf is what you're saying, as you have been accused of?

[All members of the panel nodded their heads.]

Senator **Symms**. Thank you, Mr. Chairman.

Senator **McClure**. I had listed about three or four questions and Steve has asked or you have responded in a way that addresses some of them. But I just wonder if you're making the point in a way which the public will understand. You, in effect, say we can't afford to. All right. If you can't afford to today, will you be able to afford to tomorrow? If you can't afford to tomorrow, then why do we worry about you?

Mr. **Konkol**. Senator, I have 200 employees. Well, this past March we had a 10-percent pay cut. We struggled all these times and we just had to do it. And I told them that we're going to try for one more year. And between the Canadian thing and the forest plans, if things didn't change for us, we were going to just throw in the towel. Our people know it.

Senator **Symms**. If I could interfere—in other words, what you're really saying is that if the amount of timber that is not put up on the auction block becomes a cutthroat competition, then somebody has to—either Bennett Lumber Co., is going to determine internally to cut out one of their mills, or they're going to go in and bid you out of the market, Don, or—I mean, it becomes cutthroat at that point and somebody loses—maybe everybody loses if you bid too much of the timber.

Mr. **Konkol**. Well, everybody does lose.

Senator **Symms**. But that's basically what we're saying. If there's not enough to go around, which one of us is going down the drain?

Mr. **Konkol**. That's right.

Mr. **Bennett**. But in the timber sales you're talking about, Senator, the timber sales being unsold, we're working with the Forest Service trying to arrive at the problems on these sales. And where we have expensive road packages or logging systems, we feel we can't really economically—we're working with them to change that.

Senator McClure. Well, let me ask you this question: What do you mean by expensive road packages? You're talking in jargon that just goes over the top of the average public, and they need to understand what your problem is if you have one.

Mr. Bennett. Well, you know as well as I do, Senator, that the roads we put in today on the sales are opening up areas for 10 timber sales, not 1. We're building roads that are costing us $1 million to take out 5 million feet of timber. You can't do that economically. You need to build just the bare minimum road to get into the sale, take the maximum amount of timber you can take off without doing environmental damage. And that's what we should be doing.

Senator McClure. Are you talking about the so-called a deficit timber sales?

Mr. Bennett. Right. Anytime you have a sale that yields less than the cost of operation, it's a deficit.

Senator McClure. Well, why should we be doing those at all?

Mr. Bennett. Because you have to keep the mills running. You can't run it 8 months a year or 7. We lose money on timber sales all the time, but we don't do it 12 months a year.

Senator McClure. Well, let me ask this question a different way. I'm trying to get you to say something I think the public will understand about what your plight is. You know, the public isn't nearly as interested in your plight as you are.

Mr. Bennett. True.

Senator McClure. Unfortunately, perhaps. But they don't really care much about Dick Bennett.

Mr. Bennett. I've noticed that, Senator.

Senator McClure. They do care about the jobs your mills supply, they do care about the economic base, but they'd like to understand your problem if indeed they're going to participate and help solve them.

Now you've suggested that some of these sales are too expensive to operate. You suggested in one instance that the road costs are too high. Why are the road costs too high? What makes them too high?

Mr. Bennett. Well, many things, but mainly because we're building a higher standard of road than we need to log the timber. We're building a road that will meet all the different requirements, all the different uses that we have to have and all will use. We're not just building a logging road.

Senator McClure. And you're also building a road into areas that serves more than just the sale itself?

Mr. Bennett. Right, because we're not clear-cutting the entire area. When you go into drainage, we're trying—the Forest Service should and we are just cutting a bare minimum amount.

Senator McClure. The first road built into the area provides the road for all of the area?

Mr. Bennett. Exactly, it's an access road.

Senator McClure. And it will be used in connection with other timber sales later on. Is that part of the problem?

Mr. Bennett. Exactly.

Senator McClure. If we could reduce our timber harvest road costs; is that a help?

Mr. Bennett. Right. Timber harvest costs. By changing logging systems, by using a more economical system of logging, cure.

Senator McClure. Are we talking also about the road costs?

Mr. Bennett. Oh, yes, no question about it.

Senator McClure. In your opinion, are the roads being built to a standard that is unnecessary and, therefore, more expensive than necessary?

Mr. Bennett. Yes.

Senator McClure. Would others of you comment?

Mr. Comstock. I certainly agree with Dick. Although I have seen in some recent times, because of our dialog with the Forest Service, that there are some trends. But we're starting to see some of the problems that we have, and they are willing to look in some cases at some sales where there has been some deficits to us that makes it impossible for us to buy.

Another point I would like to strike—ask the Senator if I might is that also I think there should be more of an awareness than—in low market conditions where it is extremely difficult for profit levels to be reached, if at all, that the Forest Service can, and I think in some places do, but should everywhere be able to shift and/or to modify their sales not in the stance of environmental degradation or against any of the fine policies and directives that they have, but they need to be more responsive to shifting, if you will, playing a little bit more of a chess move type of a game and keep sales programs in a vein where we can have timber that's commensurate with the market at the time.

This has not always been a fact. And it is difficult for them. As a member of that organization for many years, you get a lot of investments built into a timber sale before it goes on the auction block. Yet, I know that there are ways that they could mitigate some of these problems by setting aside expensive sales that would not be too expensive in the higher market condition. And I think they are working toward that and they must work toward that as part of a problem-solving for this particular thing.

Senator McClure. Well, I think the forest is—the public is puzzled when you say you need more timber quality and then they see a sale put up for bid and nobody bids. I think if you expect them to understand your problem, you're going to have to tell them in terms they can understand.

Mr. Clausner. Well, of course, that's part of our problem, even understanding within the industry what some of the projections in the Forest Service are, because there are so many ways to define what we're talking about.

On the roads, Senator, I want to get back on that a moment. I agree road cost is still a very major problem. But somewhat in defense of the Forest Service, I'll say that in the last few years we have, at least in north Idaho, made a concerted effort to work on a low road standard between industry and the Forest Service to get the cost of those roads headed down. I think in a lot of instances those costs are headed down. We've not seen the full result of all that yet and, of course, we still continue to see sales put on that obviously that kind of thinking has not been applied yet. I think we're headed in the right direction.

Senator McClure. Mr. Comstock, you worked for the Forest Service for a number of years.

Mr. Comstock. Yes, sir.

Senator McClure. During your employment by the Forest Service, did you ever see a road built that was built primarily for recreational needs?

Mr. Comstock. No, sir; Senator, all of the roads that I was involved with were build for the timber management process, but also with the other resources in consideration.

Senator McClure. Do they have a value in recreation?

Mr. Comstock. Yes; they certainly do.

Senator McClure. Is any portion of the cost of the road charged to recreation?

Mr. Comstock. To my knowledge, there has not been, in my experience, funds that have been directly put into the cost of the road project itself that was from a recreational source or something of that nature.

Senator McClure. Did you ever see a road that was built for an elk hunter or to open an area for elk hunting?

Mr. Comstock. No, sir; I sure have not, sir.

Senator McClure. Has the use of the road by elk hunters ever been charged to hunting and fishing value?

Mr. Comstock. Well, not in my experience.

Senator McClure. Have you ever seen a road that was built for fishermen?

Mr. Comstock. No, sir; I haven't.

Senator McClure. Have you ever seen a road which fishermen used in which any part of that road was charged to fishing?

Mr. Comstock. No, sir.

Senator McClure. Have you ever seen a road that was built for berry pickers?

Mr. Comstock. I don't think we have any.

Senator McClure. Have you ever seen a part of the road cost charged to those who use the road to get to berry picking patches.

Mr. Comstock. If there was that occasion, I must have been in the brush awfully far because I do not have any knowledge of that.

Senator McClure. Well, obviously what I'm trying to get at is they're multiple-use roads even though the cost is initially charged entirely against timber. I am correct, am I not?

Mr. Comstock. That's correct.

Senator McClure. Mr. Clausner, you have indicated that the Potlatch does not operate on the Nez Perce now. With your new mill in operation, will you be operating on the Nez Perce in the future?

Mr. Clausner. It may be possible, Senator. The economic reach to the new mill, if it's as efficient as we're told, can go out in all directions. And I think many people, if not most people, know the mill that we have in Lewiston is an extremely old and inefficient mill. We believe that to survive you've got to have at least one efficient sawmill in your operating area, because the sawmill is the only mill that can convert all the raw material. We have other types of mills, as do other companies, plywood mill, for an example.

Plywood mills cannot take the run-of-the-mill logs from the forest. So to answer your question, it may be possible.

Mr. **Bennett**. We certainly hope not.

Senator **McClure**. Is there enough timber in the Nez Perce to support all the future needs of all of you gentlemen?

Mr. **Clausner**. As presently projected?

Senator **McClure**. As presently projected.

Mr. **Clausner**. No.

Senator **McClure**. The timber is there, but the harvest level is not; is that correct?

Mr. **Clausner**. That's correct.

Senator **McClure**. Any other statement from any of you? Same thing true of the Clearwater.

[Mr. Clausner nodded head.]

Senator **McClure**. How many of you in your operations hold timber contracts that you will not harvest in one year?

Mr. **Bennett**. All of us, sir.

Senator **McClure**. All of you? Why do you hold contracts upon which you will not operate this year?

Mr. **Bennett**. Takes us usually 2 years to build the roads into most sales——

Senator **McClure**. Would you repeat it again?

Mr. **Bennett**. Yes; I said because on most sales it takes us 1½ to 2½ years to build the roads.

Senator **McClure**. Are there any other reasons why you have a backlog?

Mr. **Clausner**. Oh, yeah. Besides building roads, as I was mentioning earlier, any company has to balance their end use with the timber they have under contract. And it frequently results that all of the end use coming off of a particular sale does not meet your mill needs in a very short timeframe because of the market, because of the types of mills and the whole aggregation. So you've got to have the backlog to work out of.

It's as if you've got a pantry full of items, let's call them marbles, and you've got to match three different colors of marbles to whatever you're doing out here in the front room and you've got to make it come out just exactly. You're running back and forth all the time. Now you don't want to be doing that; that would cost you money. So what you do is you store a few extra ones back there so when you put your hand in there there is a number of reds, a number of blues, a number of greens. And you bring those out in the correct mix so as to make your delivery efficient, not send your logging crews scurrying around in all different directions, trying to make a very close couple operation work.

It's a surge inventory, if you'd like to use that terminology. Weather has a big impact on our operation. We can't always operate where we intend to operate because of changes unexpectedly in the weather. You've got to have a backlog of timber to pick and choose from to have the flexibility to overcome those weather problems.

Senator **McClure**. Any other comments about backlog and the necessity for backlog?

Mr. **Bennett**. Well, Senator, you can't plan your operation. You can't plan modernization. You can't plan anything unless you have a timber supply backlog. We've got to be able to plan ahead at least 3 years and——

Senator SYMMS. How about your bankers?

Mr. BENNETT. You have to borrow money. And if you've got to borrow money, you have to have the timber supply to do it. In this area, with as heavy Federal timber as we have, we have to carry it under contract. We can't bet that we're going to buy timber next year or the year after.

Senator McCLURE. It's been said repeatedly in testimony not only here but elsewhere, but in particular here in the Nez Perce and Clearwater, why do you need an allowable sale quantity in these plans that's greater than your past harvest levels?

Mr. BENNETT. Well, as near as we can tell, the allowable sale quantity is the ceiling. It's not the minimum, it's the ceiling you're going to sell. And consequently, when you have funding, as you well know, in your funding levels your appropriations come out that is set within those guidelines. And it's normally less than the allowable sale quantity. And so you have to have more. And then some sales are going to be put up that simply aren't going to sell. They're not going to meet—you might have a helicopter sell that comes on the down market. Very likely that sale will not sell. It might sell the next year or the year after, but it certainly won't go on a down market. So you have to put up more than what you plan on selling.

Senator McCLURE. Any other comments?

Senator SYMMS. Mr. Chairman, if I could just ask one very brief question. 1975 or 1976, whenever we did the—and I was in the House—and we did the forest planning act that started this whole process, some of the old hands in the Forest Service at that time that were in this region came to me and said: What we need is the ability to have the district ranger be able to go out here and sell more timber, and green slip or whatever you do, paint the trees and set a price on it and just sell it. Don't go through all the hassle with the bidding process and the expense. Just do it on a smaller scale.

Well, we got it raised from $2,000 to $10,000. Now at current prices, what would be a current price that would be just an approximate price, $100 a thousand?

Mr. CLAUSNER. For stumpage?

Senator SYMMS. For stumpage.

Mr. BENNETT. Less than that.

Senator SYMMS. Less than that? So we're talking about maybe you can sell up to 150,000 to 200,000 feet in one sale?

Mr. BENNETT. Right.

Senator SYMMS. 200,000 feet in one sale. Currently, is there any of this activity going on to help?

[Mr. Bennett nodded head.]

Senator SYMMS. There is some? I mean, Don, where you need 16 million feet to run your mill, and you've got your own logging crews, don't you?

Mr. KONKOL. Yes, sir.

Senator SYMMS. Can you get in on any of these kind of sales? I think on a small scale operation, I think it would be a good——

Mr. KONKOL. Yes; we have. Not the Forest Service, but recently with the State of Idaho on bug-kill sales. Of course, their policies are different. But, yes, I think both the State and Federal Government needs some flexibility there, especially in bug kill and fire damage.

Senator SYMMS. Well, what do we have to do? Am I just whistling Dixie? I've been trying to get them to do this for years, but I never hear much about it. I mean, if we just send a guy out from the office with a paintbrush, a guy that has some experience, and he marks the trees, you come back and figure out what they're worth, somebody comes up and harvests them—it has to be in roaded areas, of course, I understand.

Mr. KONKOL. Yes, sir; quite often I've seen just like 40,000 or 50,000 feet marked, and that's not worth the effort for anybody to haul that in a pickup.

Senator SYMMS. OK.

Mr. BENNETT. Senator, you are winning, though, that is happening.

Senator SYMMS. That is happening? Well, is there anything you'd recommend that we do about that? Should that number be raised?

Mr. BENNETT. Yeah, it would make it a lot simpler to sell a lot of your salvage tracts. They're using it mostly for salvage for small corners that didn't meet, or something happened that it didn't get sold before, or going in for leave tree sales, things like that. There are all kinds of various—yes, you can raise the limit. That would be very fine. What it does is it employs a small logger, a one-man logging show or two-man logging show, a father and son, they can go out there and harvest that 100,000 or 200,000 foot tract, they can make a profit out of it.

Senator SYMMS. Bring the logs down to you or——

Mr. BENNETT. Hopefully to me, not to our competitors.

Senator SYMMS. OK, thank you very much. Thanks, all of you, for your statements.

Senator MCCLURE. Just one further question. Mr. Comstock, were you one of the Prime Time Players?

Mr. COMSTOCK. Yes; I was.

Senator MCCLURE. Anybody else here one?

Mr. CLAUSNER. I wasn't personally, Senator.

Senator MCCLURE. Yeah. I asked a question earlier with respect to why it may or may not have been agreed upon at one time or offered or discussed as a possible agreement to reach a 120 million allowable sale quantity. Are you familiar with that situation?

Mr. COMSTOCK. Well, that particular discussion evolved in the groups that I wasn't particularly in at that time. We'd broken up into different segments or question and answer groups. But I do remember that the group that did the entertainment act, they did come to a consensus, if you will, that the 120 allowable sale quantity, as long as it wouldn't be, you know, adverse to other key resources, then they thought that was what we need to pursue and wouldn't have any objections to it if they could come to that conclusion.

Senator MCCLURE. And did the timber representatives in that group indicate that they could forego entering East Meadow Creek in the next planning decade if they could get to 120 allowable sale quantity out of the forest?

Mr. **Comstock**. Well, I would just have to say I would rather defer from answering that because my memory doesn't serve me.

Senator **McClure**. Thank you very much for your testimony, gentlemen.

Mr. **Bennett**. Thank you, Senator.

Senator **Symms**. Thank you.

Senator **McClure**. We're about halfway—not yet halfway—well, I guess we are halfway through the panels. Let's have about a 5-minute break so everybody can stretch a minute.

[A brief recess was taken.]

STATEMENTS OF:

AMBER THIEMENS, PRESIDENT, IDAHO WOMEN IN TIMBER

EDWARD JOHNSON, DIRECTOR, JOINT ADMINISTRATION NO. 1, INTERNATIONAL WOODWORKERS' OF AMERICA

JAMES WILSON, COMMISSIONER, CLEARWATER COUNTY

Senator **McClure**. Ladies and gentlemen, I wonder if we could all take our seats, please. I understand that George Tikkanen and Orville Peterson are not here. Is that correct? George Tikkanen from Spokane, Orville Peterson from Kooskia, are either of you here?

In our next panel then we will add Jim Wilson from panel No. 5. I understand he may have to leave before we would get to him otherwise. Amber Thiemens, Ed Johnson, and Jim Wilson.

OK, Amber, you're first up. Do you understand the 5-minute rule?

[Ms. Thiemens nodded head.]

Senator **McClure**. All right. I assume all three of you were here earlier and saw how it worked? Thank you. You may proceed.

STATEMENT OF AMBER THIEMENS

Ms. **Thiemens**. Thank you. Mr. Chairman, members of the committee, my name is Amber Thiemens. I am deeply interested and concerned about Idaho's natural resources. I live just outside of Moscow, ID, with my husband Jim, who is a professional forester, and our son Jacob who will be in the third grade. We own and live on a tree farm and have an interest in a business that raises tree seedlings for reforestation. We enjoy many outdoor activities. Our Idaho lifestyle is very important to us.

I am president of Idaho Women in Timber [IWIT], and I am testifying on behalf of Idaho Women in Timber today.

The Forest Service planning process can have a significant effect on the economic well-being of Idaho communities. Idaho Women in Timber feels our way of life is threatened not only for us but for our children. If the forest plans are allowed to stand as they are, many people will be put out of work. Our schools and highway systems will be adversely affected. Family and community stability will be lost. Mills will close. Whole communities could be lost.

IWIT is a nonprofit organization comprised of environmentally conscious women and men whose income is directly dependent on the timber industry.

Our philosophy is the forest is a renewable resource and we are concerned that Idaho forests will be cared for so that all its benefits, not only timber but wildlife, water, range, and recreation will be renewed for future Idahoans to enjoy. Our belief is that through good stewardship of the land, we can perpetuate our way of life.

I am here today because IWIT is concerned about perpetuating our way of life. We're concerned about being able to continue to make the living from Idaho's natural resource, timber. We are very concerned about our family and community stability.

Our Idaho timber industry directly provides jobs for over 15,000 people, and three to four times that indirectly for the people in sales and service. These figures do not take into account the number of family members supported by the direct and indirect timber industry jobs.

So far, the draft plans in Idaho call for a reduction in U.S. Forest Service harvest just when the limited private land base can no longer supply a disproportionate share of the State's timber needs.

There are only 3 million acres of private timberland in Idaho. If the industry is to survive at its current level, the timber-rich national forests must begin to increase not decrease their cut levels.

The Forest Service's tentative decision to sell no more than 679 million board feet of timber each year will eliminate nearly 2,000 direct timber jobs over the next 10 to 15 years. The loss of 2,000 direct timber jobs does not reflect the additional potential 4,000 to 6,000 job loss in secondary industries dependent upon timber dollars.

The plans for the major timber forests call for a maximum yearly sale of 679 million board feet, only 47 percent of annual timber growth on these forests.

If Idaho's timber industry is to survive at its current level, then the national forest must now begin to meet their share of the State's timber needs. IWIT asks that the total allowable sale quantity be increased by 220 million board feet.

With the allowable sale quantity increase, it will be possible for Idaho to keep 2,000 direct timber industry jobs; 4,000 to 6,000 indirect jobs in related industry; $40 million annually in timber payrolls; $2 million annually in State tax revenue; and $2.5 million in schools and county road funds.

Senator McClure, I do not need to remind you that threaded throughout the law governing the Forest Service, congressional legislation since 1897 up to the present has required for the Forest Service to insure community stability of dependent communities.

Section 1604 of the NFMA establishes provisions which must be included in the forestwide management plans. The NFMA is not the only statute which imposes requirements on the forest planning process. In fact, the NFMA is only one of many statutes placing mandates on the Forest Service. Other statutes include the Organic Act of 1897; the Multiple Use Sustained Yield Act; Forest Roads and Trail Act; the Resource Planning Act; the Receipt of States Act.

These statutes, along with their implementing regulations, are the result of 89 years of congressional intent to preserve, nurture, and develop our Nation's forest resources in dependent communities.

The statute known as the Organic Act is still in effect. Forest Service regulation has interpreted this statute to mandate community stability. 36 CFR 221.3 states as follows:

> Such plans shall: Be designed to aid in providing a continuous supply of national forest timber for the use and necessities of the citizens of the United States.
>
> Three, provide so far as feasible an even flow of national forest timber in order to facilitate the stabilization of communities and the opportunity for employment.

IWIT feels Congress has provided 89 years of direction to keep dependent timber communities stable. We ask for that concern to be reflected in Idaho's forest plans.

It is obvious to us that by providing these hearings you are concerned about maintaining family and community stability for Idaho's timber-dependent communities.

Thank you for letting us speak today.

Senator McClure. Thank you very much. Ed Johnson.

STATEMENT OF EDWARD JOHNSON

Mr. Johnson. Senator McClure, members of the committee, my name is Edward Johnson. I am director of joint administration No. 1 of the International Woodworkers of America located in Lewiston, ID.

The approximate 2,000 members I represent are employed by Potlatch Corp. Approximately one-half are employed in mills, the other one-half are loggers cutting timber in the Clearwater and Nez Perce National Forests.

Our membership has been in a depressed state since 1981. And although the future of the wood products industry appears somewhat brighter, we're a long way from reaching the level of employment we had in the late seventies.

We are deeply concerned with the proposed timber sales level in the draft plans now being finalized for all of Idaho's national forests. The maximum yearly sale level of 679 million board feet, which is only 47 percent of the annual timber growth on these forests, is 200 million board feet less than the State's timber industry needs to maintain current levels of employment.

In the past 10 years, companies with private timberlands, because of high-priced Federal timber or reduced timber sales from Idaho's national forests, have concentrated on logging their own lands.

There are approximately 3 million acres of private timberland in Idaho. As harvesting was concentrated on this ownership, the inevitable happened—annual timber harvest exceeded the annual growth.

In 1984, harvest from private lands was 861 million board feet, while growth was only 580 million board feet.

The need is still there for available timber, whether it be from private, State, or Federal land.

If Idaho's timber industry is to survive at its current level, the national forests must now meet their share of the State's timber needs.

The draft plans for the five national forests in Idaho must be modified so that the total allowable sale increases from 679 million board feet to 900 million board feet.

This is not an unreasonable increase. I am optimistic Congress will recognize and take steps to cure the problem of subsidized Canadian lumber being imported into this country at the present level. Prime interest rates have dropped this week which should help the housing industry.

If there is not enough available timber in the United States, Canadian imports will increase not decrease. If we face a restricted timber supply for the next 10 to 15 years, as has been stated before, there is a potential loss of approximately 2,000 jobs in the wood products industry alone—not counting the 4,000 to 6,000 jobs in related industries, plus the loss of timber payrolls, State tax revenue, school and road funds.

I urge the Forest Service, on behalf of the membership I represent, to reevaluate the impact a yearly sale level of 679 million board feet would have on the local communities of Idaho which are dependent upon the wood products industry.

I thank you.

Senator McClure. Thank you very much.

Mr. Wilson.

STATEMENT OF JAMES WILSON

Mr. Wilson. Gentlemen, I am Jim Wilson, commissioner from Clearwater County and an employee of Potlatch Corp. and for Jay Pee Plywood Mill. I thank you for this opportunity to testify on the proposed U.S. Forest Service plan.

I am going to start by commenting on the Clearwater National Forest plan and how it will affect our county. The forest plan as proposed is probably as good as the Forest Service could come up with under their self-imposed limitations and the limitations that they feel will come from preservationists appealing the plan. The forest plan as it now stands has the distinct possibility of costing 400 jobs in Clearwater County directly related to the timber industry. This will mean an $8 million loss in payroll just for loggers and millworkers. It does not include the people in the support industries that will lose their jobs. These good, hardworking men and women are American citizens and taxpayers. They deserve at least the same consideration as the contras in Nicaragua, or anybody else receiving the tax dollars in foreign aid.

The Federal Government made a commitment to these people that an adequate supply of timber will be available, and now they're saying this is not so.

I am not asking for the Forest Service to offer more timber for sale than the ground is capable of growing. In fact, less than one-half that amount. An annual cut of 200 million will save people's jobs, increase recreation, and improve wildlife habitat. I feel most people realize that we cannot do the three R's—rape, ruin, and run—in the timber industry. This does not mean that we cannot make accessible and harvest old growth timber on the Clearwater National Forest and still set aside a renewable resource that can be harvested and will grow back. Our problem being that it takes 100 years for a tree in the Clearwater National Forest to grow to marketable size.

The preservationists and news media, when showing logging activity, delight in showing pictures of recent clearcuts. They do not show pictures of areas that were harvested 10 or 15 years before with the trees coming back.

It makes a lot more sense to me to harvest these stands of timber and create jobs for taxpayers than to wait until Mother Nature does it for us, and she will. Mother Nature can be a lot more devastating than man. All you have to do is look at what Mount St. Helen's did and what forest fires do. When fire is Mother Nature's logger, you have a lot more erosion and a longer period of time before regeneration.

The preservationists would have you believe logging harms the habitat for our big game animals. This just is not so. There are more deer and elk per square mile on harvested timber ground than there are on wilderness acres. What creates the problem is accidents. This could be controlled with road closures.

I would also like to state that I am a wilderness user and I try to take a pack trip annually into our local wilderness areas.

I consider most preservationists hypocrites, as they use wood products every day unless they keep corn cobs in the bathroom.

PREPARED STATEMENTS

Senator McClure. Thank you. Your prepared statements will be inserted in the record at this point.

[The statements follow:]

STATEMENT OF AMBER THIEMENS

Mr. Chairman, members of the committee, my name is Amber Thiemens. I am deeply interested and concerned about Idaho's natural resources. I live just outside of Moscow, Idaho, with my husband Jim, who is a professional forester and our son Jacob who will be in the third grade. We own and live on a tree farm and have an interest in a business that raises tree seedlings for reforestation. We enjoy many outdoor activities - - - horseback riding, camping, fishing, cross-country skiing and backpacking. Our Idaho lifestyle is very important to us.

I am President of Idaho Women In Timber and I am testifying on behalf of Idaho Women In Timber today.

The Forest Service planning process can have a significant effect on the economic will-being of Idaho communities. Idaho Women In Timber feels our way of life is threatened not only for us but for our children. If the forest plans are allowed to stand as they are: Many people will be put out of work. Our schools and highway systems will be adversly affected. Family and community stability will be lost. Mills will close and or be severly curtailed. Whole communities could be lost. The Idaho economy is a natural resource based economy which consists primarily of timber, mining and agriculture. These industries are so dependent upon natural resources, that the Forest Service planning process can have an enormous effect on the economic well-being of Idaho communities. The Assistant Secretary of Agriculture recently put a hold on all pending forest plans in Idaho, Washington, Oregon and northern California until the economic effect of the plans on local communities could be determined. One of Idaho Women In Timber's main concerns is to maintain Idaho's family and community stability.

As stated by Assistant Secretary of Agriculture Peter C. Myers in his May 23rd directive to the chief of the Forest Service, "It is imperitive that the role and potential of national forest timber supplies for sustaining local and regional economies during the next 10 to 15 years be fully understood".

BACKGROUND ON IDAHO WOMEN IN TIMBER (IWIT).

IWIT is a NON-PROFIT organization comprised of environmentally-conscious women and men whose income is directly dependent on the timber industry in Idaho. We are loggers, mill people, industrial foresters, office personel, timberland owners, tree farmers, homemakers and more.

We are organized to help present a BALANCE - so the public may become aware that we CAN have BOTH; a Quality Environment and a Healthy Timber Products Industry.

IWIT has three main objectives - - - Increase and improve COMMUNICATION with the general public as it relates to the forest resource. Encourage greater awareness and understanding of Idaho's forest resources through EDUCATION. Encourage and promote solid forest-related LEGISLATION.

PHILOSOPHY OF IDAHO WOMEN IN TIMBER

The forest is a renewable resource and we are concerned that Idaho's forest will be cared for so ALL its benefits, not only timber but wildlife, water, range and recreation will be renewed for future Idahoans to enjoy. Our belief is that through good stewardship of the land, we can perpetuate our way of life.

I am here today because IWIT is concerned about perpetuating our way of life. We are concerned about being able to continue to make a living from Idaho's natural resource, timber. We are very concerned about our family and community stability.

SPECIFIC COMMENTS

Our Idaho timber industry directly provides jobs for over 15,000 people and three to four times that indirectly for the people in sales and service. These figures do not take into account the number of family members supported by the direct and indirect timber industry jobs. Many people are dependent on the timber industry. The forest industry supplies much needed employment for Idaho's economy with the resultant tax benefits to our local schools and roads, providing community and family stability.

So far, the draft plans in Idaho call for a reduction in USFS harvest just when the limited private land base can no longer supply a disproportionate share of the state's timber needs. Over the past decade, increasing amounts of privately owned timber was harvested, both in response to the high price of federal timber and to reduced timber sales from Idaho's national forests (sales during 1981-1984 averaged 108 million feet per year less than during 1975-1979).

There is only three million acres of private timberland in Idaho. As harvesting was concentrated on this ownership, the inevitable happened - - - annual harvests exceeded annual growth. In 1984, the harvest from private lands was 861 million board feet, while growth was only 580 million board feet. If the industry is to survive at its current level, the timber rich national forests must begin to increase, not decrease their cut levels.

Assistant Secretary Peter C. Myers accurately assessed this situation in his directive noting "where the inventories from private lands that were reduced in the '70s and '80s have significant influence on future supply trends, it seems appropriate that the implications of such reductions be documented in the appropriate national forest planning documents".

In Idaho, with two-thirds of the commercial forest land under Forest Service control, the timber industry - - - and dependent local economies - - - will thrive or disappear by Forest Service decisions. The Forest Service's tentative decision to sell no more than 679 million board feet of timber each year will eliminate nearly 2,000 direct timber jobs over the next 10-15 years. This follows a 4,000 job loss largely as a result of Canadian competition from 1979-1985. The loss of 2,000 direct timber jobs does not reflect the additional potential 4,000-6,000 job loss in secondary industries dependent upon "timber dollars.

The plans for the major timber forests call for a maximum yearly sale of 679 million board feet, only 47 percent of annual timber growth on these forests.

If Idaho's timber industry is to survive at its current level, then the national forests must now begin to meet their share of the state's timber needs. IWIT asks that the total allowable sale quantity be increased by 220 million board feet and that the draft plans of the Panhandle, Clearwater, Nez Perce, Payette and Boise National Forests be modified to reflect this amount. While this increase is large, it is not unreasonable, since each forest could choose an alternative plan which meets the timber supply goal and still meet the other needs for quality hunting and fishing, wildlife, water, range and recreation.

With the allowable sale quantity increased by 220 million board feet, it will be possible for Idaho to keep 2,000 direct timber industry jobs, 4,000-6,000 indirect jobs in related industries, $40 million annually in timber payrolls, $2 million annual in state tax revenues, and $2.5 million in school and county road funds.

Senator McClure, I do not need to remind you that threaded through out the laws governing the Forest Service, congressional legislation since 1897 up to the present, has required the Forest Service to insure community stability of dependent communities.

Section 1604 of the NFMA establishes provisions which must be included in the forest-wide land management plans. The NFMA, is not the only statue which imposes requirements on the forest planning process. In fact, the NFMA is only one of the many statutes placing mandates on the Forest Service. Other statutes include the Organic Act of 1897, 16 USC 475; the Multiple Use-Sustained Yield Act of 1960, 16 USC 524-531; the Forest Roads and

Trails Act of 1964, 16 USC 532; the Resource Planning Act of 1974 and the Receipt of States Act of May 23, 1908, 16 USC 500.

These statutes, along with their implementing regulations, are the result of 89 years of congressional intent to preserve, nurture and develope our nations forest resources and dependent communities. Congressional intent represents the final expression of public policy which the Forest Service must implement.

As early as 1897, Congress mandated the Forest Service provide a continuous supply of timber for the use and necessities of the citizens of the United States. Congress stated as follows: "No public forest reservation (National forest) shall be established, except to improve and protect the forest within the reservation (national forest) or for the purpose of securing favorable conditions or water flows, and to furnish a continuous supply of timber for the use and necessities of the citizens on the United States ... 16 USC 475.

This statute know as the Organic Act, is still in effect. Forest Service regulation has interpreted this statute to mandate community stability. 36CFR 221.3 states as follows:

(a) "Management plans for national forest timber resources shall be prepared and revised as needed, for working circles or other practicable unites of the national forest. Such plans shall:

(1) "Be designed to aid in providing a continuous supply of national forest timber for the use and necessities of the citizens of the United States..."

(3) "Provide so far as feasible an even flow of national forest timber in order to facilitate the stabilization of communities and the opportunities for employment."

(4) "Provide for coordination of timber production and harvesting with other uses of national forest land in accordance with the principles of multiple use management."

(5) "Establish the allowable cutting rate which is the maximum amount of timber which may be cut from the national forest lands within the unit by years or other periods."

This concern for community stability is also reflected in the Receipt of States Act of May 23, 1908, 16 USC 500, which requires that 25 percent of total timber sales receipts in total are to be transfered to the states.

IWIT feels Congress has provided 89 years of direction to keep dependent timber communities stable. We ask for that concern to be reflected in Idaho's forest plans.

It is obvious to us that by providing these hearings you are concerned about maintaining family and community stability for Idaho's timber dependent communities.

Thank you for the opportunity to comment on this vitally important issue. If further explanation is needed on any of our testimony please feel free to contact me.

STATEMENT OF EDWARD JOHNSON

MY NAME IS EDWARD JOHNSON, I AM THE DIRECTOR OF JOINT ADMINISTRATION #1 OF THE INTERNATIONAL WOODWORKERS' OF AMERICA LOCATED IN LEWISTON, IDAHO.

THE APPROXIMATELY 2,000 MEMBERS I REPRESENT ARE EMPLOYED BY POTLATCH CORP.

APPROXIMATELY HALF ARE EMPLOYED IN THE MILLS, THE OTHER HALF ARE LOGGERS CUTTING TIMBER IN THE CLEARWATER AND NEZ PERCE NATIONAL FORESTS.

OUR MEMBERSHIP HAS BEEN IN A DEPRESSED STATE SINCE 1981 AND ALTHOUGH THE FUTURE OF THE WOOD PRODUCTS INDUSTRY APPEARS SOMEWHAT BRIGHTER, WE ARE A LONG WAY FROM REACHING THE LEVEL OF EMPLOYEMENT WE HAD IN THE LATE 1970'S.

WE ARE DEEPLY CONCERNED WITH THE PROPOSED TIMBER SALES LEVEL IN THE DRAFT PLANS NOW BEING FINALIZED FOR ALL OF IDAHO'S NATIONAL FORESTS. THE MAXIMUM YEARLY SALE LEVEL OF 679 MILLION BOARD FEET WHICH IS ONLY 47% OF THE ANNUAL TIMBER GROWTH ON THESE FORESTS, IS 200 MILLION BOARD FEET LESS THAN THE STATE'S TIMBER INDUSTRY NEEDS TO MAINTAIN CURRENT LEVELS OF EMPLOYMENT.

. IN THE PAST 10 YEARS, COMPANIES WITH PRIVATE TIMBERLANDS, BECAUSE OF HIGH PRICED FEDERAL TIMBER OR REDUCED TIMBER SALES FROM IDAHO'S NATIONAL FORESTS, HAVE CONCENTRATED ON LOGGING THEIR OWN LANDS.

THERE IS APPROXIMATELY 3 MILLION ACRES OF PRIVATE TIMBERLANDS IN IDAHO. AS HARVESTING WAS CONCENTRATED ON THIS OWNERSHIP, THE INEVITABLE HAPPENED---ANNUAL HARVEST EXCEEDED ANNUAL GROWTH.

IN 1984, HARVEST FROM PRIVATE LANDS WAS 861 MILLION BOARD FEET WHILE GROWTH WAS ONLY 580 MILLION BOARD FEET.

THE NEED IS STILL THERE FOR AVAILABLE TIMBER WHETHER IT BE FROM PRIVATE, STATE OR FEDERAL LANDS.

IF IDAHO'S TIMBER INDUSTRY IS TO SURVIVE AT ITS CURRENT LEVEL, THE NATIONAL FORESTS MUST NOW MEET THEIR SHARE OF THE STATE'S TIMBER NEEDS.

THE DRAFT PLANS FOR THE 5 NATIONAL FORESTS IN IDAHO MUST BE MODIFIED SO THE TOTAL ALLOWABLE SALE INCREASES FROM 679 MILLION BOARD FEET TO 900 MILLION BOARD FEET.

THIS IS NOT AN UNREASONABLE INCREASE. I AM OPTIMISTIC CONGRESS WILL RECOGNIZE AND TAKE STEPS TO CURE THE PROBLEM OF SUBSIDIZED CANADIAN LUMBER BEING IMPORTED INTO THIS COUNTRY AT THE PRESENT LEVEL. PRIME INTEREST RATES HAVE DROPPED THIS WEEK, WHICH SHOULD HELP THE HOUSING INDUSTRY.

IF THERE IS NOT ENOUGH AVAILABLE TIMBER IN THE U.S., CANADIAN IMPORTS WILL INCREASE NOT DECREASE. IF WE FACE A RESTRICTED TIMBER SUPPLY FOR THE NEXT 10 TO 15 YEARS, THERE IS A POTENTIAL LOSS OF APPROXIMATELY 2,000 JOBS IN THE WOOD PRODUCTS INDUSTRY ALONE--NOT COUNTING THE 4 TO 6 THOUSAND JOBS IN RELATED INDUSTRIES, PLUS THE LOSS OF TIMBER PAYROLLS, STATE TAX REVENUES, SCHOOL AND ROAD FUNDS.

I URGE THE FOREST SERVICE, ON BEHALF OF THE MEMBERSHIP I REPRESENT, TO RE-EVALUATE THE IMPACT A YEARLY SALE LEVEL OF

679 MILLION BOARD FEET WOULD HAVE ON THE LOCAL COMMUNITIES OF IDAHO WHICH ARE DEPENDENT UPON THE WOOD PRODUCTS INDUSTRY.

STATEMENT OF JAMES WILSON

I am Jim Wilson, a commissioner from Clearwater County and an employee of Potlatch Corporation at their Jay Pee Plywood Mill. I thank you for this opportunity to testify on the proposed U.S. Forest Service Plan.

I am going to start by commenting on the Clearwater National Forest Plan and how it will affect our county. The Forest Plan as proposed is probably as good as the Forest Service could come up with under their self imposed limitations, and the limitations that they feel will come from preservationists appealing the Plan. The Forest Plan as it now stands has the distinct possibility of costing 400 jobs in Clearwater County directly related to the timber industry. This will mean an 8 million dollar loss in payroll just for loggers and mill workers. It does not include the people in the support industries that will also loose their jobs. These good, hardworking, men and women are American citizens and taxpayers. They deserve at least the same consideration as the Contras in Nicaragua, or anybody else receiving their tax dollars in foreign aid.

The Federal Government made a commitment to these people that an adequate supply of timber will be available and now they are saying this is not so.

I am not asking for the Forest Service to offer more timber for sale than the ground is capable of growing. In fact, less than half that amount, a annual cut of 200 million will save peoples jobs, increase recreation and improve the wild life habitat. I feel most people realize that we cannot do the 3R's (rape, ruin, run) in the timber industry. This does not mean that we cannot make accessible and harvest old growth timber on the Clearwater National Forest and still set aside a renewable resource that can be harvested, and will grow back. The problem being that it takes 100 years for a tree in the Clearwater National Forest to grow to marketable size.

The preservationist and news media when showing logging activity delight in showing pictures of recent clear-cuts. They do not show pictures of areas that were harvested 10 or 15 years before with the trees coming back.

It makes a lot more sense to me to harvest these stands of timber and create jobs for taxpayers than to wait until Mother Nature does it for us, and she will. Mother Nature can be a lot more devastating than man. All you have to do is look what Mt. St. Helens did and what forest fires do. When fire is Mother Natures Logger you have a lot more erosion and a longer period of time before regeneration.

Preservationists would have you believe that logging harms the habitat for our big game animals. That just is not so. There are more deer and elk per square mile on harvested timber ground than there are on wilderness acres. What creates the problem is access. This could be controlled with road closures.

I would also like to state that I am a wilderness user and I try to take a pack trip annually into our local wilderness areas.

I consider most preservationists hypocrites as they use wood products every day unless they keep corn cobbs in the bathroom.

Thank you.

Senator McClure. Senator Symms.

Senator Symms. I can't top that, Mr. Chairman. I appreciate all three of your statements very much. I think they're very thoughtful, very important. And, Ed, your statement speaks right to the heart—and Amber's, both—of the human side of this question, and that is: People's opportunty to be able to provide for their own environment of their immediate family. And I laud you for your statements and I quite agree with your analysis. So, thank you very much.

Senator McClure. I want to commend each of the witness for your effort, but I want to particularly commend the Women in Timber. The Idaho Women in Timber have been a potent force traveling to Washington, DC, at their own expense and being—they constitute one of the most effective grassroots lobbying organizations I have seen in a long time. A lot of those staid old Congressmen back there don't really know what's hit them until Idaho Women in Timber have been there. You have made an impact. I think that's the way this system is supposed to work with people who have a direct interest, who are directly affected, being able to speak directly to lawmakers.

Ed, I thank you for your statement because certainly you are a vested interest. Your jobs are at stake.

Jim, you made reference to the fact that you're also a hunter and a backpacker.

Mr. Wilson. I don't backpack. I pack my horses.

Senator McClure. Excuse me. You don't pack your horses on the back.

Mr. Wilson. Something else on the wilderness, Senator.

Senator McClure. Yes.

Mr. Wilson. When I go back in, I like to hunt the Elk Summit area up here. There is a corridor that runs back into the wilderness area, and you see a multitude of people along that corridor. But if you take your horse or your feet and backpack in, you get a mile off that corridor, you do not see people. And the farther back you go, the less people you see. So the wilderness does not create the recreation that everybody says it does. You need access.

Senator McClure. Ed, you say your organization represents approximately 2,000 members. Do you have any idea how many of those 2,000 members use the back country for recreation, for hunting and fishing, camping and so on?

Mr. Johnson. Well, I would estimate, Senator, that—and there's probably not a better environmentalist than the logger. They enjoy the hunting and fishing. They play a dual role. They also are not only environmentalists, but they're interested in jobs. And most loggers are outdoors people.

Senator McClure. Well, I thank you very much for your statement. I would urge you in particular, Ed, that your organization being a member of an international organization, a constituent group, urge in the strongest possible terms that your views be made know through the international organization at the Washington level as well as expressing it here. Thank you very much for your testimony here today.

Mr. Johnson. Thank you.

Mr. Wilson. Thank you.

STATEMENTS OF:

NICK CHENOWETH, CLEARWATER COUNTY, ID

LEWIS A. CREA, CHAIRMAN, THIRD DISTRICT BOARD OF COMMISSIONERS

RICHARD D. WORKMAN, MAYOR, GRANGEVILLE, ID

Senator McCLURE. Panel No. 5: Nick Chenoweth, Richard Workman, and Lewis Crea.

Nick.

STATEMENT OF NICK CHENOWETH

Mr. CHENOWETH. Senator McClure, Senator Symms, thank you for having us here. I'm Nick Chenoweth, past president of North Idaho Chamber of Commerce, currently married to the chamber of commerce president from Orofino, and a lifetime resident of Clearwater County. And I was chairman of the Orofino, Clearwater County Crisis Rally which was attended by you, Senator Symms, and Larry Craig and Dave Leroy.

I wish to begin by advising you of the status of the economic conditions of Clearwater County and the reasons that I preceive for those conditions.

Employment peaked in Clearwater County in 1978, when labor statistics showed that 4,267 persons were employed in hard industry. In October 1985, that figure was 3,525, or a reduction of one-sixth of the hard labor force over a period of 7 years. In 1970, our peak school enrollment was 2,909 students in district 171, and today our enrollment is 1,909. Ironically, 1,000 students or one-third less than we had in 1970, which meant a reduction from the State of $1.5 million in State funds that came to the school district earlier.

The population of the county in 1970, according to the U.S. Department of Statistics, was 10,870, and in June 1985, 10,300, for a reduction of 570 people over that 15-year period. If we had 1986 statistics, I think they would be dramatically lower than 1985. Many of the families remain in Clearwater County which the husband has gone to Alaska or some other place to find logging employment. And I think that our population figures in the future are going to continue to show a shrinking population base.

As the population shrinks, so does the tax base. And from 1981 through 1985, we show a 40-percent increase in property taxes in Clearwater County because of the shrinking base. To give you an example, Clearwater County Hospital, which is a county-supported hospital, had an average of 14 patients per day in 1983. In 1985, down to eight patients. In 1986, down to six to six and one-half patients per day. And we expect that Clearwater County Hospital will have to close within the next 3 years if something doesn't stop.

Residential property sales in Clearwater County, in the immediate surrounding area of Orofino, there are over 200 residences for sale with a diminished value from 10 to 15 percent and still falling. Realistically, I think they're far from falling to the point where they're going to fall if this continues.

During the past 2 years, 10 to 15 businesses have closed in the Orofino area, and I personally forecast a closure in 1987 of another 10 businesses.

Today the Lewiston Morning Tribune announced, and I hope you read the headlines, "Budget action could fall on new fish hatchery." You all know that Kooskia has been promised a hatchery by the Idaho Fish and Game. With State money and Federal money, about $25 million will be spent on that hatchery. Orofino and the surrounding area was relying on that, since we're going to have a diminished timber cut in the future, to help bolster the economy and keep Orofino viable. It looks as if that money may or may not come.

I would like to suggest to both of you Senators that perhaps a Federal project in Mr. Stiberling's district be postponed and that this most needed hatchery could be constructed in Clearwater County.

Turning to the Clearwater Forest Service plan, the Clearwater Forest, admitted by the Forest Service, can sustain at least 327 million per year. Yet they propose to allow to be sold and cut 135 to 150 million. Jim Bates is going to get his last shot at us here, so maybe he'll correct that.

I hear as explanations from the Forest Service that this allotting of 135 to 150 million is caused by two problems. No. 1, they don't have sufficient appropriations to manage sales of more than this amount. And No. 2, the pressures of the environmental groups, whether it be public pressure or threatened litigation, causes the Forest Service to reach a compromised position that is acceptable to the environmental types.

Congress has already mandated that the Forest Service should be concerned about the local economic impact. Perhaps the Congress should mandate a "so goes the local economy, so goes the Forest Service funding."

The 10-year plan allowing 135 million feet will result in drastic effects for the people of Clearwater County. Private and State lands have been overcut, as you've heard many times. And if we don't have the national forests, we're not going to have the trees.

Naturally, we can't lay this whole problem at the hands of the Forest Service. I think that they try to work with us in most cases. The Canadian import problem is dramatic, and I hope that you fellows are working very, very hard toward this end. If not, we're going to have mills that are teetering and falling. And I'll tell you, it isn't long until they're going to go. The Canadians subsidize their products to such an extent as to make them make our mills uncompetitive with them.

We, in Clearwater County work and wait for tourism to fill the gap. But the loss of these people and jobs continue to come. Perhaps the early speakers are willing to accept this loss. I'm not. As Senator Symms says, our children may be our tourists. Unfortunately, I don't think the parents are going to be here.

Thank you very much.

Senator McClure. Mr. Workman.

STATEMENT OF RICHARD WORKMAN

Mr. Workman. Senators, I'm Richard Workman, mayor of the city of Grangeville. Grangeville is located in central Idaho, the county seat of Idaho County, with approximately 3,600 people as of the date of the last census in 1980. The principal economic industries in this area are agricultural, lumbering industries and to a substantially lesser degree, tourism. Grangeville serves as a hub for agricultural services for the southern side of the Camas Prairie. Currently, two major warehouse companies serve the Grangeville area, these being Union Warehouse & Supply and Stegner Grain & Seed Co. These two warehouses serve approximately 160,000 acres of good quality of dry land, tillable farmlands. The agricultural economy, which is a surprise to no one, is at best in the doldrums. The prices for agricultural commodities is as low as it has been in many, many years.

With the agricultural economy being in such a state of difficulty, it is critically important that we hold together the balance of economic factors in the community which include the lumbering industry.

The city as an entity wants to encourage the committee and the Congress to do as little damage to the local economy and the lumbering industry as is necessary. Any restrictive legislation which impedes the free market system in lumbering has a detrimental effect upon the economy in this area.

First and foremost, we want to urge that the primary responsibility is to the forest to see that it is maintained on a sustained yield basis for generations to come. The primarily goals—with that primary goal in mind, any forest plan legislation concerning forest planning must protect the forest for this sustained yield. However, in protecting the sustained yield, it is only logical that in one year the production might be up, based on market conditions, and thus the harvest could be up for that year, and in the next year, based on economic conditions, the harvest could be down. It would seem sensible and logical that in protecting the forest on a sustained yield concept, a 5- or 10-year plan could be developed allowing flexibility from year to year. With the flexibility that I am discussing, this would permit during good years the forest harvest to exceed the 100 million board feet and go to the higher level of potentially 125 million board feet when necessary. Assuming that the sustained yield on the Nez Perce Forest is 100 million board feet, with information we have received from former forest officials, the higher harvest could not be allowed in every year, but it would permit the good years to be served with timber. We are further informed from the Forest Service officials that there have not actually been harvests in the recent past of even 100 million board feet. These figures can be produced for you by the forest officials so you can evaluate what we are proposing. Since there has not been in every year 100 million board feet historically, the flexibility approach would allow as much freedom in the marketplace as is possible, and yet protect the forest.

We have a concern also that Congress in the passage of the Forest Management Act of 1976 has created a circumstance of hamstringing even the Forest Service so that without a plan, timber harvest must be temporarily halted. In dealing with the Federal Government, temporary sometimes stretches into unreasonably long periods of time. We suggest that any legislation halting timber harvests for even 1 year or a period of 1 year is an unacceptable result in view of the very fragile state of economy in this area. If the 1976 act needs to be amended to eliminate these holdups, we suggest that be done. Certainly I am not an expert in the area of sustained yield nor in forest management. But from my perspective as mayor of the city, I can see the detrimental effects on the economy on any slowdown in the marketplace in the forest area. Even a brief period of time is a rippling effect through the economy; for when the logs cannot be harvested, the mills cannot be operated and the people are laid off.

In analyzing how much timber should be made available, it's important for the committee to take into account the fact that private timber in the area is all but harvested, and it will be many years before the private supply of woodlands regenerate sufficiently to supply a new source of timber to be reharvested. While these private lands are regenerating, there must be the flexibility during, as I said earlier, the good years to maintain the economy without damaging the forest.

As another ripple effect of congressional action, the local economy has been relying upon "in lieu of funds" for county governments and for school systems. In any action that the Congress takes in view of the massive Federal ownership in Idaho County, attention must be paid to maintain these funds in some way or having the Government essentially pay a tax for their ownership within the county served by these areas of local government and the local schools.

In summary, I ask you to provide a plan which is flexible to encourage the economy, but yet protect the forest on a long-term basis. We feel that the fewer restrictions that exist the better the economy works and the better the free market system works.

Thank you.

Senator McClure. Thank you. Mr. Crea.

STATEMENT OF LEWIS CREA

Mr. Crea. Senator McClure, Senator Symms, thank you for giving us an opportunity to present testimony regarding the forest plans for the national forests in this area.

My name is Lewis Crea, and I'm chairman of the Board of County Commissioners of Idaho County. I am here as a representative of the Idaho County Commissioners.

The economy of Idaho County is a resource-based economy which consists of timber, agriculture, and mining. These industries are totally dependent on natural resources, and any curtailment of raw material can have a disastrous effect on the industry involved. In turn, the tax base and other payments to the county are dependent on the health and well-being of these industries.

The particular fund I wish to discuss is the 25-percent money paid to the local road departments. I have attached a complete schedule of revenue and expenses from 1979 to 1986, but I will quote only from the forest funds and the total. In 1979, the forest funds accounted for $707,659 of a total budget of $1,117,304. In 1980, forest funds of $1,071,113 and a total budget of $1,316,545. In 1981, forest funds of $669,519 and the budget was $912,788. In 1982, forest funds of $749,407 and a total budget of $1,018,200. In 1983, the forest funds plunged to $315,045 and the total budget was

$621,687. In 1984 and 1985, the forest funds held at $450,084. In 1984, the budget was $799,398. In 1985, the forest funds were $450,503, and a total budget of $808,348. In 1986, forest funds were up to $596,253, and the total budget of $971,133.

I think it is clear that the 25-percent money makes up the major portion of the road budget. The other principal portion is made up of motor users' revenue, which comes to the county on a formula established by the legislature. County commissioners have no control over the formula, or the amount of revenue it produces. The other source of road funding is the property tax, and is self-evident that in a county with 83 percent of the land public ownership less than 17 percent in private hands, the property tax cannot replace the 25-percent funds.

Presently, timber is being harvested on national forest, Bureau of Land Management, State and private lands. Unfortunately for the timber industry, the private lands are not being managed on a sustained yield basis. In fact, most of the timber coming off private lands is a result of land clearing in which the land is either converted to grazing or farming operations. Therefore, there will be sharply decreasing supplies of timber from private lands in the future.

It is clear I am discussing dollar amounts which are arrived at by multiplying stumpage times price. I profess no competency in determining actual board feet which can be made available on a sustained yield basis. Very few people are foolish enough to claim the ability to foresee prices. I merely wish to show the committee the importance of the 25-percent forest funds to local governments and request that the allowable cut be reviewed with the knowledge of the impact these funds have on local communities.

Thank you.

PREPARED STATEMENTS

Senator McClure. Thank you. Your prepared statements will be inserted in the record at this point.

[The statements follow:]

STATEMENT OF RICHARD D. WORKMAN

Please accept the following written statement as testimony before the Senate Appropriations Subcommittee on Interior and related agencies. I am Richard Workman, Mayor of the City of Grangeville. Grangeville is a city located in central Idaho, the county seat of Idaho County, with approximately 3,600 people as of the date of the last census in 1980. The principal economic industries in this area are agriculture, lumbering industries and to a substantially lesser degree, tourism. Grangeville serves as a hub for agricultural services for the southern side of the Camas Prairie. Currently, two (2) major warehouse companies serve the Grangeville area, these being Union Warehouse & Supply and Stegner Grain & Seed Company. These two warehouses serve approximately 160,000 acres of good quality dry land, tillable farm land. The agricultural economy, which is a surprise to no one, is at best in the doldrums. The prices for agricultural commodities is as low as it has been in many many years.

With the agricultural economy being in such a state of difficulty it is critically important that we hold together the balance of the economic factors in the community which include the lumbering industry.

The City as an entity wants to encourage the committee and the Congress to do as little damage to the local economy in the lumbering industry as is necessary. Any restrictive legislation which impedes the free market system in lumbering has a detrimental effect upon the economy in this area.

First and foremost, we want to urge that the primary responsibility is to the forest to see that it is maintained on a sustained yield basis for generations to come. With that primary goal in mind, any forest plan or legislation concerning forest planning must protect the forest for sustained yield. However, in protecting the sustained yield it is only logical that in one year the production might be up based upon market conditions and thus the harvest could be up for that year and in the next year based upon economic conditions the harvest could be down. It would seem sensible and logical that in protecting the forest on the sustained yield concept a 5 or 10 year plan could be developed allowing flexibility from year to year. With the flexibility that I am discussing, this would permit during "good years" the forest harvest to exceed 100 million board feet and to go to the higher levels of potentially 125 million board feet when necessary. Assuming that the sustained yield on the Nezperce Forest is 100 million board feet, which is information we have received from former forest officials, the higher harvest could not be allowed in every year, but it would permit the good year to be served with timber. We are further informed from former Forest Service officials that there have not actually been harvests in the recent past of even 100 million board feet. These figures can be produced for you by the forest officials so you can evaluate what we are proposing. Since there has not been in every year 100 million board feet historically, this flexible approach would allow as much freedom in the market place as is possible and yet protect the forest.

We have a concern also, that the Congress in the passage of the Forest Management Act of 1976 has created a circumstance hamstringing even the Forest Service so that without a plan timber harvest must be temporarily halted. In dealing with the Federal Government temporary sometimes stretches into unreasonably long periods of time. We suggest that any legislation halting timber harvests for even one year or even a period of a year is an unacceptable result in view of the very fragile state of the economy in this area. If the 1976

Act needs to be amended to eliminate these "hold ups", we suggest that that be done. Certainly I am not an expert in the area of sustained yield nor in forest management, but from my prospective as Mayor of the City I can see the detrimental effects to the economy on any slow down in the market place in the forest area. Even a brief period of time has a ripple effect through the economy, for when the logs cannot be harvested the mills cannot operate and people are laid off.

In analyzing how much timber should be made available it is important for the committee to take into account the fact that private timber in the area is all but harvested and it will be many years before the private woodlands regenerate sufficiently to provide a new source of timber to be reharvested. While those private lands are regenerating there must be the flexibility during, as I said earlier, the "good years" to maintain the economy without damaging the forest.

As a corollary and as another ripple effect of congressional action, the local economy has been relying upon "in lieu of funds" for county governments and for the school systems. In any action that Congress takes in view of the massive Federal ownership within Idaho County attention must be paid to maintaining these funds in some way or having the Government essentially pay "a tax" for their ownership within the county served by these areas of local government and the local schools.

In summary, we ask you to provide a plan which is flexible to encourage the economy, but yet protect the forest on a long term basis. We feel that the fewer restrictions that exist the better the economy works and the better the free market system works.

STATEMENT OF LEWIS A. CREA

Thank you for giving us an opportunity to present testimony regarding the Forest Plans for the national forests in this area.

My name is Lewis Crea, and I am chairman of the Board of County Commissioners of Idaho County. I am here as a representative of the Idaho County Commissioners.

The economy of Idaho County is a resource based economy which consists of timber, agriculture, and mining. These industries are totally dependent on natural resources, and any curtailment of raw material can have a disasterous effect on the industry involved. In turn, the tax base, and other payments to the county are dependent on the health, and well being of these industries.

The particular fund I wish to discuss is the 25% money paid to the local road departments (attached is a complete schedule of revenue & expenses from 1979 to 1986) In 1979 the forest funds accounted for $707,659.10 of a total budget of $1,117,304. In 1980 forest funds $1,071,113.71, total budget $1,316,545.11; in 1981 forest funds $669,519.30, budget $912,788.01; 1982 forest funds $749,407.59, budget $1,018,200.39; 1983 forest funds $315,045.86, budget $621,687.64; 1984 forest funds $450,084.69, budget $799,398.78; 1985 forest funds $450,503.94, budget $808,348.36; & 1986 forest funds $596,253.23, budget $971,133.90.

I think it is clear that the 25% money makes up a major portion of the road budget. The other principle portion is made up of motor users revenue, which comes to the county on a formula established by the legislature.. The county commissioners have no control over the formula, or amount of revenue it produces. The other source of road funding is the property tax, and it is self-evident that in a county with 83% of the land public ownership, and less that 17% in private hands that the property tax cannot replace the 25% funds.

Presently, timber is being harvested on national forest, BLM, State, and private lands. Unfortunately for the timber industry, the private lands are not being managed on a sustained yield basis. In fact, most of the timber coming off private lands is a result of land clearing in which the land is either converted to grazing, or farming operations. Therefore, there will be a sharply decreasing supply of timber from private lands in the future.

It is clear I am discussing dollar amounts which are arrived at by multiplying stumpage times price. I profess no competence in determining actual board feet which can be made available on a ~~substantial~~ sustained yield basis. Very few people are foolish enough to claim the ability to foresee prices. I merely wish to show the committee the importance of the 25% forest funds to local governments and request that the allowable cut be reviewed with the knowledge of the impact these funds have on local communities.

ROAD REVENUE & EXPENSES

Year	Forest Funds	Property Tax	Highway Users	Selected Revenue Totals	Expenses	Surplus/Deficit
1979	707,659.10	70,536.95	392,577.25	1,170,773.30	1,030,025.75	636,799.64
1980	1,071,113.71	67,440.49	177,990.91	1,316,545.11	1.637,720.14	(3,467.52)
1981	669,519.30	66,879.45	176,389.26	912,788.01	1,040,619.35	(40,864.20)
1982	749,407.59	72,211.34	196,581.46	1,018,200.39	990,355.05	234,226.20
1983	315,045.86	73,843.24	232,798.54	621,687.64	999,844.19	11,465.40
1984	450,084.69	80,779.18	268,534.91	799,398.78	978,909.16	14,309.82
1985	450,503.94	79,769.77	278,074.65	808,348.36	1,028,247.46	(120,897.35)
1986	596,253.23	98,040.00	276,840.67	971,133.90		

STATEMENT OF NICK CHENOWETH

I wish to begin by advising you of the current status of the economy of Clearwater County and what I preceive to be the reasons for these conditions.

EMPLOYMENT: Employment peaked in Clearwater County in 1978 when labor statistic showed 4,267 persons employed in the county in the hard industries. In October of 1985, the figure was 3,525, a diminishment in the labor force by 1/6.

SCHOOL ENROLLMENT: School enrollment peaked in 1970 in Clearwater County with 2,909 students. By the end of the 1984 school season, there were 2,027 students. By December of 1985, Orofino School District 171 was down to 1,924 students, and in May of 1986 at the end of the 1985-86 school term there were 1,909 students. Three months later at the commencement of the 1986 school season enrollment fell to 1,853 students. This means a loss to the school district in state supporting revenue in the amount exceeding 1.6 million dollars. A loss of 1/3 of the student population in Clearwater County in 16 years.

School District 171 receives funds from the National Forest Harvest. In 1984 School District 171 received $260,210.00, and in 1985 that diminshed to $117,585.00. This is 55% diminishment in one year.

POPULATION: The population of Clearwater County in 1970 was 10,870 person. That fell in 1980 to 10,390 persons. The Department of Labor Statistics estimated the county population to be 10,300 persons in June of 1985 and from my experience, I would estimate that the population has fallen an additional 1,000 persons since the official population count in 1980.

SHRINKING PROPERTY TAX BASE: Property taxes have increased from 1981 to 1985 approximately 40%. This increase has been due to the falling valuations of property and increased cost of services.

SHRINKING COUNTY HOSPITAL: In 1983, the average patient day in the Clearwater Valley Hospital was 14 patients per day. In 1985, the patient load was 8 patients per day. In 1986, the patient load has dropped to 6 or 6 1/2 persons per day. With the continuing decline the Clearwater Valley Hospital will either close within 3 years or become a first aid station.

PROPERTIES FOR SALE: Residential properties for sale in the immediate area around Orofino exceed 200 parcels with a diminished property value of from 10 to 15% and still falling. Those persons who have equity in their home are seeing that equity evaporate.

BUSINESS CLOSINGS: During the past two years 10 to 15 businesses have closed in Clearwater County and it is my personal forecast that another ten will close during 1987.

DIMINISHMENT IN FEDERAL EMPLOYMENT: As the allowable cut of federal timber diminishes the employment of federal Forest Service follows, thereby again diminishing the economic base of the community.

On August 22, 1986, the Lewiston Morning Tribune announced that the 23 million dollar fish hatchery sponsered by the Idaho Fish and Game Department, together with the federal government through its mitigation plan for the Dworshak Reservoir may not be built (a copy of the article enclosed). This postponement or perhaps the cutting of this hatchery would break a promise made by the federal government to the State of Idaho, wherein it was agreed by contract that the construction of Dworshak Dam would be mitigated by the building of sufficient hatcherys to perpetuate the fish runs lost to this project. Economic impact of such a decision will be long reaching in this community.

I would like to suggest that a federal project in Representative Sibling's district be postponed or abandoned so that this promised hatchery can be constructed, thereby providing a continuing economic base for Clearwater County and a fulfillment of promised obligations.

TURNING NOW TO THE FOREST PLAN FOR THE CLEARWATER NATIONAL FOREST:

The Clearwater Forest by Forest Service own ommission can substain 327 to 400 million board feet a year perpetually. The Forest Service proposes to allow the sale and cutting from 135 million to 150 million board feet. The Forest Service makes two explanations for the proposed diminishment and cut.

1. They don't have sufficient appropriations to manage sales of any more than this amounts.

2. The pressure of environmental groups, whether it be public pressure or threatened litigation, causes the Forest Service to reach a compromise position that is acceptable to environmental groups.

3. There has been little demand in the past few years for federal timber sales.

Congress has already mandated that the Forest Service must be concerned with the impact upon local economies throughout the forest producing regions of the United States.

The ten year plan on allowing 135 to 150 million board feet a year will result in drastic economic effects forever on the people of the Clearwater. Private and state land have been over cut in attempts to make up for the diminished federal land allowable cut. This cannot continue. If the Forest Service plan for the Clearwater is adopted as proposed I forecast a continuing loss of people and jobs for North Idaho. This results in a shrinking tax base, poorer schools, poorer health care, poorer business prospects and for those of us who wish our children can find jobs and carry out our traditions in North Idaho.

Naturally, the problems of the forest products industry cannot be laid entirely at the feet of the Forest Service. If the Forest Service were to provide all of the wood that can be sustained on the forest it would be of little help to the Clearwater at this time. Even though this country is in a building boom the benefactors of this boom are our neighbors, the Canadians. Their governmental policies of literally giving away their national forest, subsidising railways, and "no payment until sold financing", has caused the playing field of international trade to tilt so far in favor of the products produced in Canada that our players can no longer hang on to the turf and one by one they slip and fall from the field.

If this imbalance is not immediately corrected, I forecast continued failure of small mills across the region, rising unemployment, and general economic hard times for Idaho. Many of these businesses are teetering on the edge now. Only immediate action can save them.

Those environmentalist who believe that the hard industries of Idaho can be replaced by tourism are dreaming. It is my belief that all the tourists dollars spent in Clearwater County in one year would not equal the payroll of Potlatch Corporation for two weeks in the same county.

Senator Symms stated, "it may be our children who become our tourists as they come to visit us". Unfortunately, I am afraid that there will be no parents here to visit if this trend is allowed to continue.

Thank you for allowing me to be one of the speakers at the Senatorial hearing.

Senator McCLURE. Senator Symms.

Senator SYMMS. I'd just like to thank all of you for some very well thought out statements. Nick, your statement, though it didn't bear a lot of good news, I think it bears a lot of facts that I hope to get those written down somewhere from your statement just to use to show people how serious this is to the specific communities.

But I just wondered, as a member of the North Idaho Chamber of Commerce, your own local chamber of commerce, and having been in Orofino and around north Idaho in business all your life—I made the comment earlier about how many stoves, refrigerators, cars, et cetera, do the tourists buy? What's the—and we probably should have asked Don Konkol this question because he's in both businesses. Do you happen to know the difference in the pay of the people that work in the Konkol sawmill and the ones that work in the motel?

Mr. CHENOWETH. Well, it's obviously the same as you'd find all over Idaho; far, far less for those who work in the service industry than those who work in the hard industries.

I'd like to say, and I don't know this to be a fact, it's a gut feeling of mine, but I think that every tourist dollar spent in Clearwater County wouldn't equal 2 weeks of Potlatch payroll in a whole year.

Senator SYMMS. What you're saying is a good solid payroll is money that really goes into the community?

Mr. CHENOWETH. Well, I suppose the tourist dollars go into the community, but if you accumulated every tourist dollar spent in Clearwater County, it wouldn't equal the Potlatch payroll for 2 weeks, is what I'm saying. I'm very hopeful that—you know, the men on the first group were anxious to tell us how big the tourist dollars are coming into Idaho. I'm afraid there aren't going to be many of us here to take them. The hard industries are where the dollars are. If we don't have the hard industries, we're out of business. It's that simple. We're going to be waiting for the tourists in 1995, those of us who are left.

Senator SYMMS. Well, I thank you all very much. I think your statements are very appropriate. I know from knowing all three of you that you do like to enjoy the outdoors. You consider yourself at least conservationists.

A slight increase in timber harvest in northern Idaho and central Idaho, in your opinion, can be done without damaging the environment?

Mr. CHENOWETH. Well, Senator Symms, as I indicated, 327 is the admitted amount the Forest Service agreed to be cut. I think we can take 200 million without doing any damage at all. The forests have got to be harvested in light of bugs, in light of disease, in light of age. And if we don't do that, we're wasting a natural resource.

Senator SYMMS. Thank you very much, Mr. Chairman. Thank you all very much.

Senator McCLURE. Gentlemen, thank you very much for your testimony. I think you've underscored the main concern which we need to reflect upon. I welcome your testimony here today. Thank you all very much.

STATEMENTS OF:

TOM KOVALICKY, SUPERVISOR, NEZ PERCE NATIONAL FOREST

JAMES C. BATES, FOREST SUPERVISOR, CLEARWATER FOREST

ACCOMPANIED BY:

JOE BEDNORZ, FOREST PLANNER, NEZ PERCE NATIONAL FOREST

DOUG GLEVANIK, FOREST PLANNER, CLEARWATER FOREST

Senator McClure. Tom Kovalicky, Joe Bednorz, Jim Bates, and Doug Glevanik.

I know it's not fair to suggest to the people we've been talking about all day, the ones that are most at the heart of the controversy and most important to the decision, to leave you to the last and then suggest we're running out of time. So I will only suggest that you make your statement as brief as we can and we'll make our questions as brief as we can and submit the balance for the record. But this is a public hearing and the public is hearing attitudes expressed, and you need at least a fair shot of presenting your views.

So with that, if I may ask you to proceed. Tom, you're first on my list.

Mr. Kovalicky. You want me to go first?

Senator McClure. I don't care.

STATEMENT OF TOM KOVALICKY

Mr. Kovalicky. That would be fine.

Hello, I'm Tom Kovalicky, supervisor of the Nez Perce National Forest. Also with me on my left is my forest planner, Joe Bednorz.

The Nez Perce National Forest consists of 2.2 million acres, all within Idaho County. Approximately 41 percent, or roughly 900,000 acres, of this forest is classified wilderness. The Selway, Snake, Salmon, and Rapid Rivers are managed as wild and scenic rivers. This leaves slightly more than 1 million acres, or roughly 48 percent, tentatively suitable for timber production. Within that area are 16 roadless areas totaling 472,000 acres.

Local lifestyles are strongly oriented to the forest for fishing, hunting, wood gathering, camping, and other outdoor pursuits. Several communities provide a base of operations for outfitter and guide services for hunting, fishing, and white water rafting. Elk, salmon, and steelhead are highly prized and sought after species; 40 to 50 percent of the economic base of Idaho County is provided by various forest resource uses including range, timber, recreation, and mining.

Sawmill operations at Grangeville, Kooskia, and Elk City are the primary purchasers of this timber. This forest has offered an average of 102 million board feet per year for the past decade.

The status of the proposed forest plan and draft EIS were released for public review on February 22, 1985. During the public review period, which ended June 1, 1985, the forest received approximately 600 letters. The forest has nearly completed preparations of the final environmental impact statement and the plan. The changes made to the preferred alternative have been made in response to public comments.

Principal concerns that surfaced during the development of this plan were: Maintaining an adequate economic base for the communities; providing a quality of forest environment with opportunities for fishing, hunting, and family recreation; insuring a mix of market outputs and road development compatible with the productivity of anadromous fish and big game; and last, insuring a mix of motorizing and nonmotorized recreation opportunties.

Local communities are concerned with maintaining viable economies. They are also working at diversifying their economies. This has led to increasing their opportunities to attract tourists and recreational visitors.

The present estimate of all lumber workers in this area is 750 employees. In 1984, these employees received approximately $10.2 million in wages. National forest employees are also a significant part of the local labor force; 235 people representing an annual payroll of approximately $6.1 million. Additional funds are spent locally for supplies and materials. The 25 percent of national forest receipts returned to the State and county has averaged $761,000 over the past 5 years.

By providing improved winter and summer game range in our plan, we will meet the rising demand for quality elk hunting. Protection and enhancement of the anadromous fish habitat will add. These fisheries are extremely important to the Nez Perce Tribe and other tribes of the Columbia River Basin.

We will be able to achieve high levels of fish and wildlife through well designated and scheduled timber harvests. The plan has an aggressive road management plan that will insure reducing sedimentation during construction, and eliminating excess traffic upon completion of harvest. We will be able to provide and produce clean and abundant supplies of water.

These actions will insure an opportunity for the recreation industry to expand. Currently it contributes an estimated $6 million. This will benefit the local economy in jobs and income.

Our timber demand has been fairly constant for the past 10 years. We have offered 102 million board feet, including salvage, and have sold an average of 81.4 million board feet per year. The draft plan would offer a slight increase in timber sales, to 105 million board feet per year, including salvage. Volume under contract today is currently 225 million board feet after a 95 million board foot buyout.

We are also exploring more ways to reduce the overall management costs, including our timber sales.

The public was highly complimentary about our openness and sense of seriousness about achieving our goals. There was good support for balanced management of the forest for the next 10 to 15 years.

Many concerns centered on our being able to implement the plan if the current budget trends prevail. This concern was often expressed by comments about our monitoring plan. The public is keenly interested in how we will accomplish this.

In summary, the documents have been prepared under the provisions of the National Forest Management Act and the National Environmental Policy Act, and they meet the requirements for maintaining the productivity and protection of the resources.

I believe the proposed plan provides an optimal mix of resource outputs and public benefits, as well as a source of resources to assure an economic base. The selected alternative provides a balanced program of management emphasis which considers the economic well-being of the area. It provides an assured future of continued resource production; it protects the environment.

Thank you for this opportunity.

Senator McClure. Thank you. Jim Bates.

STATEMENT OF JAMES BATES

Mr. Bates. I'm James C. Bates, forest supervisor of the Clearwater Forest. I'm responsible for the management of 1.8 million acres of national forest land which includes the Clearwater Forest and the Palouse District of the St. Joe National Forest. I have brought my forest planner with me, Doug Glevanik, to handle the tough questions.

The Clearwater plays an important role in supporting the economy of the counties located in the vicinity of the forest. This support is provided through timber supply, recreation and tourism, opportunities for Federal employment and direct payments. Idaho counties encompassed within this area are Clearwater, Latah, Lewis, Nez Perce, Shoshone, Idaho, and Benewah.

The Clearwater draft forest plan was issued for public review May 10, 1985, and the public review period ended September 15. Community stability was an important criterion as we developed that draft. We believe our proposed plan did a good job of balancing the management of the various resources, but public input showed us improvements were possible and we have been working to include these as we develop the final plan. Issuance of the final plan will be delayed until the cumulative effects analysis on the state of Idaho timber supply is completed.

The employment in the local area as provided by the Clearwater under the proposed plan is estimated to be 3,100 jobs. Approximately one-third of these jobs are related to recreation and tourism. Recreationists are attracted to the Clearwater because of its clean water and abundant fisheries, excellent wildlife populations, beautiful scenery and the opportunity to enjoy the outdoors in an unspoiled environment.

In addition to these activities, the anadromous fisheries also provide benefits to the downriver communities and are extremely important to the Nez Perce Tribe and other tribes native to the Columbia River Basin.

The Clearwater provides some of the best elk habitat in the Nation. It also provides excellent habitat for moose, deer, black bear, and mountain goats. Other main attractions are the Lochsa Wild River Scenic Corridor and the Lewis and Clark National Historic Trail. The outfitting and guiding industry is growing and has great opportunities for expansion in the backwater areas.

Over one-half of the employment attributed to the Clearwater Forest is in timber harvesting and processing. Our draft plan takes into consideration the timber we have historically offered for sale, and what we have sold. We currently have sold 550 million board feet that has not yet been cut. We estimate it will take about 4 years to harvest this. Our past 10 year average annual volume of timber offered for sale was 146 million board feet. Our draft plan would allow offering an average of 150 million feet annually from land that is suitable for timber management, plus salvageable material, dead material and pulpwood.

Assuming that the total volume is harvested, the Clearwater would receive about $14 million in receipts and about $3.5 million of that would be distributed to the local counties for roads and schools.

Of the 3,300 public comments received, many respondents asked us to increase our annual sale offerings to help maintain community stability. Others recommended additional wilderness and roadless designations, higher water quality, and some even said less timber harvesting and road building.

Our final plan must comply with provisions of the National Forest Management Act and other legislation, and provide for a balanced approach to resource management. This means it will, No. 1, provide for vegetative and animal diversity and minimum habitat requirement for all native species including fish; two, disperse harvest activities over time and space; three, provide for a long-term sustained yield of wood products; four, protect basic soil productivity and insure no irreversible effects to soil and water quality; and five, provide special management for riparian areas.

In summary, I feel we are meeting our responsibility in considering community stability in our decisions. Providing less would have an adverse effect—this is not what we hope we are doing. To provide substantially more would mean degradation of other resource values beyond sound land stewardship—this I do not recommend we do. I am confident the forest plan meets the intention of the National Forest Management Act and the National Environmental Policy Act and considers the economic effects on Idaho communities and addresses other public concerns.

Although it is clear there is no public consensus on the major issues, we feel we have achieved a balance in resource management at this time on the Clearwater.

Thank you for this opportunity.

PREPARED STATEMENTS

Senator McClure. Thank you. Your prepared statements will be inserted in the record at this point.

[The statements follow:]

STATEMENT OF TOM KOVALICKY

INTRODUCTION

I am Tom Kovalicky, Supervisor of the Nez Perce National Forest. Also with me today is our Forest Planner, Joe Bednorz.

The National Forest consists of 2.2 million acres, all within Idaho County. Approximately 41 percent (900,000 acres) of the Forest is classified wilderness. The Selway, Snake, Salmon, and Rapid Rivers are managed as Wild and Scenic Rivers. This leaves slightly more than 1 million acres (48 percent) "tentatively suitable" for timber production. Within that area are 16 roadless areas totaling 472,000 acres.

Local lifestyles are strongly oriented to the Forest for fishing, hunting, wood gathering, camping, and other outdoor pursuits. Several communities provide a base of operations for outfitter and guide services for hunting, fishing and white water rafting. Elk, salmon, and steelhead are highly prized and sought-after species. Forty to fifty percent of the economic base of Idaho County is provided by various Forest resource uses including range, timber, recreation and mining.

Sawmill operations at Grangeville, Kooskia, and Elk City are the primary purchasers of timber. The Forest has offered an average of 102 MMBF per year for the past decade.

STATUS

The Proposed Nezperce Forest Plan and Draft EIS were released for public review February 22, 1985. During the public review period, which ended June 1, 1985, the Forest received approximately 600 letters. The Forest has nearly completed preparations of the Final Environmental Impact Statement and Forest Plan. The changes made to the preferred alternative have been made in response to public comments.

Intent

Principal concerns that surfaced during the development of the Draft Forest Plan were:

Maintaining an adequate economic base for the communities;

Providing a quality of Forest environment with opportunities for fishing, hunting, and family recreation;

Ensuring a mix of market outputs and road development compatible with the productivity of anadromous fish and big game;

Ensuring a mix of motorized and nonmotorized recreation opportunities.

Local communities are concerned with maintaining viable economies. They are also working to diversify their economies. This has led to increasing their opportunities to attract tourists and recreational visitors.

Present estimate of all lumber workers in this area is 750 employees. In 1984, these employees received approximately $10.2 million in wages. National Forest employees are also a significant part of the local labor force: 235 people with an annual payroll of about $6.1 million. Additional funds are spent locally for supplies and materials. The 25 percent of National Forest receipts returned to the State and County has averaged $761,000 over the past 5 years.

By providing improved winter and summer game range in our Plan, we will meet the rising demand for quality elk hunting. Protection and enhancement of the anadromous fishery habitat will add to this sector. These fisheries are extremely important to the Nez Perce Tribe and other tribes of the Columbia River Basin.

We will be able to achieve high levels of fish and wildlife through well-designed and scheduled timber harvest. The plan has an aggressive road management program that will ensure reducing sedimentation during construction, and eliminating excess traffic upon completion of harvest. We will be able to produce clean and abundant supplies of water.

These actions will ensure an opportunity for the recreation industry to expand. Currently it contributes an estimated $6.0 million. This will benefit the local economy in jobs and income.

Our timber demand has been fairly constant for the past 10 years. We have offered an average of 102 MMBF per year, including salvage, and have sold an average of 81.4 MMBF per year. The Draft Plan would offer a slight increase in timber sales, to 105 MMBF per year, including salvage. Volume under contract is currently 225 MMBF after a 95 MMBF buy-out.

We are also exploring more ways to reduce the overall management costs, including timber sales.

PUBLIC REACTION

The public was highly complimentary about our openness and sense of seriousness about achieving our goals. There was good support for balanced management of the Forest for the next 10-15 years.

Many concerns centered or our being able to implement the Plan if current budget trends prevail. This concern was often expressed by comments about our monitoring plan. The public is keenly interested in how we will accomplish and use the monitoring data.

The overall satisfaction was high in seeing the Nezperce Plan function within the laws and regulations of the planning process and National Forest Management Act. There was good support for balanced management of developing the Forest for the next 10-15 years.

SUMMARY

The documents have been prepared under the provisions of National Forest Management Act and National Environmental Policy Act and they meet the requirements for maintaining the productivity and protection of the resources.

I believe the Proposed Plan provides an optimal mix of resource outputs and public benefits, as well as a source of resources to assure an economic base. The selected alternative provides a balanced program of management emphases which considers the economic well-being of the area. It provides an assured future of continued resource production; it protects the environment.

Now, if you have any questions, I'll answer them for you.

STATEMENT OF JAMES C. BATES

INTRODUCTION

I am James C. Bates, Forest Supervisor for the Clearwater National Forest. I am responsible for the management of 1.8 million acres of National Forest land, which includes all of the Clearwater National Forest and the Palouse District of the St. Joe National Forest. I have brought my Forest Planner Doug Glevanik with me.

The Clearwater plays an important role in supporting the economy of the counties located in the vicinity of the Forest. This support is provided through timber supply, recreation and tourism, opportunities for federal employment, and direct payments. Idaho counties encompassed within this area are Clearwater, Latah, Lewis, Nez Perce, Shoshone, Idaho, and Benewah.

STATUS

The Clearwater Draft Forest Plan was issued for public review May 10, 1985 and the public review period ended September 15th. Community stability was an important criterion as we developed that draft. We believe our proposed plan did a good job of balancing the management of the various resources, but public input showed us improvements were possible, and we have been working to include these as we develop the final plan. Issuance of the final plan will be delayed until the cumulative effects analysis on the state of Idaho timber supply is completed.

INTENT

The employment in the local area as provided by the Clearwater under the proposed plan is estimated to be 3,100 jobs. Approximately a third of these jobs are related to recreation and tourism. Recreationists are attracted to the Clearwater because of its clean water and abundant fisheries, excellent wildlife populations, beautiful scenery, and the opportunity to enjoy the outdoors in an unspoiled environment.

In addition to these activities, the anadromous fisheries also provide benefit to the downriver communities and are extremely important to the Nez Perce Tribe and the other tribes native to the Columbia River Basin.

The Clearwater provides some of the best elk habitat in the nation. It also provides excellent habitat for moose, deer, black bear, and mountain goats. Other main attractions are the Lochsa Wild and Scenic River corridor and the

Lewis and Clark National Historic Trail. The outfitting and guiding industry is growing and has great opportunities for expansion in the backcountry areas.

Over half of the employment attributed to the Clearwater Forest is in timber harvesting and processing. Our draft plan takes into consideration the timber we have historically offered for sale, and what we have sold. We currently have sold 550 million board feet that has not yet been cut. We estimate it will take about four years to harvest this. Our past 10-year average annual volume of timber offered for sale was 167 million board feet, of this we actually sold 146 million board feet. Our draft plan would allow offering an average of 150 million board feet annually from land that is suitable for timber management, plus salvageable material, dead material, and pulpwood.

Assuming that this total volume is harvested, the Clearwater would receive about $14 million in receipts and about $3.5 million of that would be distributed to the local counties for roads and schools.

PUBLIC REACTION

Of 3,300 public comments received, many respondents asked us to increase our annual sale offerings to help maintain community stability. Others recommended additional wilderness and roadless designations, higher water quality, and less timber harvesting and road building.

SUMMARY

Our final plan must comply with provisions of the National Forest Management Act and other legislation and provide for a balanced approach to resource management. This means it: (1) provides for vegetative and animal diversity and minimum habitat requirements for all native species including fish; (2) disperses harvest activities over time and space; (3) provides for a long-term sustained yield of wood products; (4) protects basic soil productivity and insures no irreversible affects to soil and water quality; and (5) provides special management for riparian areas.

In summary, I feel we are meeting our responsibility in considering community stability in our decisions. Providing less would have an adverse affect -- this we are not doing. To provide substantially more would mean degradation of other resource values beyond sound land stewardship -- this I do not recommend that we do. I am confident the Forest Plan meets the intention of the National Forest Management Act and the National Environmental Policy Act and considers economic effects on Idaho communities and addresses other public concerns.

Although it is clear there is no public consensus on the major issues, we feel we have achieved a balance in resource management on the Clearwater.

Thank you.

Senator McClure. Senator Symms.

Senator Symms. Thank you very much both of you for your statements. And I note that you sat here all afternoon and heard a lot of this testimony. And I noticed, Tom, you made the comment that the "public was highly complimentary abour our openness, sense of seriousness about achieving the goals." There is good support for balanced management of the forest in the next 10 to 15 years.

What do you—how do you square that with the testimony we've heard this afternoon that says that they're not complaining about your management except for one thing, and they want more timber available for sale? A few people said less, but the schools, the county commissioners, the forest products industry, the working people pretty much—and this is pretty true from Coeur d'Alene to Emmett and back up here—they say, We've got to have an extra 200 to 250 million board feet in Idaho's plans.

How can we get it? What can I do as a Senator to make it possible? What can you do as a supervisor to make it possible? Would you just speak to that, because I didn't hear everybody being all that complimentary.

Mr. Kovalicky. That's a good question, Senator, and one that I'm faced with almost daily. The question revolves around the many facets of management that I have to juggle on behalf of the public and my constituents.

When we talk about balancing the resource management in the forest plan, we're quite frankly not referring to equal piles of things, goods and services, whether it be biological, physical, economic, political. But rather those representations that people would imagine that they want to see delivered in the immediate future from their national forest, those piles of things quite often are not the same height.

The desire for people to have more volume is understandable. It perhaps should be stated that in the short run it would be desirable economically; in the long run, it might be undesirable biologically.

We have taken the position that since we're all new to the forest planning process perhaps it would be prudent to work our way into higher levels of goods and services. For instance, the Nez Perce plan moves rather rapidly in the first 10 years toward almost a doubling of timber made available. We need to test those perceptions. The models we're working with are new. We are new at forest planning. We think it's prudent to walk that slowly in the first decade. We can always increase, but it's often difficult to emotionally and financially decrease.

Senator Symms. Well, I just would make a comment. I hear what you're saying, but one thing I would throw out as a cautionary note, you heard some of the statements that, say, Nick Chenowith just made. You know, who's going to be here?

The appropriations process to keep the Forest Service funded and operating, if there's no timber supply or no timber industry left, it will be more difficult for the Forest Service to do the other the other things they do.

Senator McClure made the point earlier that we never build a road for berry pickers, for fishermen, for elk hunters, for photographers. We always build the roads and credit it to timber management. We charge it to timber management, although all the rest of us use all these roads for berry picking, for taking pictures, for hunting, for fishing, and whatever other uses come up. And somehow or another, it just seems that when we're talking in terms of small percentages, that there's got to be a way to get a little more timber out of there without hurting anything. That's my question. And am I just barking up a tree that's not possible?

Mr. KOVALICKY. No; I don't. And I think that sessions like this help to further clarify the issues that I thought that perhaps we had previously understood. Maybe there is a need to go back and take a look at some of these perceptions. We need to go back and check some of the areas that we have passed over. I think there's that opportunity.

Senator SYMMS. Well, now it was brought up earlier here this afternoon, I thought it was an excellent comment about the—one of the witnesses made the point—necessity for flexibility. When prices are cheap to be able to harvest easier timber; when they're higher, harvest harder timber. I know that is very, very difficult in terms of managing large tracts of Federal ownership patterns out here and complying with all the plans to do that. It is worthy to note, though, that the mining companies, when the prices go down, they start mining richer ore bodies and as the prices go up, they mine their ore bodies that aren't as rich and save the better for later.

How close are we? I mean, are we getting in this forest planning process a consideration for that? Either one of you want to comment on that?

Mr. BATES. Well, the allowable sale quantity is the maximum we can provide over basically a decade. If demand would go up, for instance, right now and we could get the funding to do it, we could provide 200, for an example, 200 million in that year. Overall, we'd have to average out. If our allowable sale quantity was 150, we would have to average over the 10-year decade. But this would allow us to provide more timber when the demand would go up and less when it's not there. That's one opportunity for us.

Senator SYMMS. Well, I guess, Senator, I'm not going to ask any more questions. I think I have a few questions I'd like to submit for the record. And I think we can do that adequately because I know where you are and you know where I am and we can do that for our record.

I thank you for bearing with us and listening this afternoon. I would only say that I think it's urgent for the short term for the Forest Service to make the best effort, and that's what I would appeal to the Forest Service management to do. We've got the law on the books, the Forest Planning Act. For good or for worse it's on the books. It isn't going to be possible to change it dramatically immediately, but there's wide latitude, in my view, in how it can be interpreted. And I think if you can give as much weight as possible to those factors that have a direct bearing on the lives of the people in this region, that you'll be most popular in the community. And that doesn't raise your paycheck, but it certainly——

Senator MCCLURE. Helps guarantee it.

Senator SYMMS. Well, it also—I think there is a sagging profit doing the work like you men do. There's no question about it.

There's a sagging profit in being able to witness the forest and watch the whole process and see the wide range of what's happening out there. If we can squeeze out a few more board feet of fiber, I think the good of the order would be well served. I'd urge you to try to do that. Thank you, very much.

Thank you, Senator.

Senator McCLURE. Thank you, Steve. I will submit most of my questions for the record, but I do have a couple or three areas I would like to explore here today because I think people have heard enough comment that they'd like to walk away from here with some answers and we can give them to them today.

There's been an awful lot said about the dependence in the last decade or decade and a half on the non-Federal lands for timber supplies. Was that non-Federal timber supply situation analyzed during the development of the draft plan? Tom?

Mr. KOVALICKY. Either one of us?

Senator McCLURE. Well, both of you because you have separate plans, I guess.

Mr. KOVALICKY. If I'm not mistaken, the total picture was not analyzed.

Senator McCLURE. Why not?

Mr. KOVALICKY. Was not.

Senator McCLURE. All right. Jim?

Mr. BATES. Same way. The total picture was not analyzed as far as how much was cut on private land in the last decade.

Senator McCLURE. The reason I ask that question is it appears from the comments we've gotten in each of the hearings, and again today, that there is a belief at least among major segments that have analyzed those areas that there has been a shift from the Federal lands to the non-Federal lands within the last 10-year period, and they anticipate that within the next 10-year period they'll have to shift back to compensate. If that's so, we're going to look at demand levels on the Federal lands that are higher than we have seen historically, or at least in the last 10 years.

And I think that may be part of what we're looking at as Secretary Myers said, let's hold back, let's look, let's see if we can a little more fine tune the economic impact. That would certainly be wise.

I also understand that at every level of timber harvest you have some tradeoffs of other activities. It's not an either/or situation, is it, in which at one level of allowable sale quantity there is an acceptable level of impact upon other values and at 1 percent more than that there's an unacceptable level? Isn't that kind of a continuum, gentlemen?

Mr. BATES. That's true. It gradually moves up. If you increase it to 200 million, you're going to have other tradeoffs that may be unacceptable to another whole group of people.

Senator McCLURE. Right.

Mr. BATES. Or if you have less and you drop 50 million board feet, then you're going to have a tremendous impact on another area.

Senator McCLURE. And I would assume, Tom, that you agree with that?

Mr. KOVALICKY. I agree.

Senator **McClure**. That you can't, no matter how your judgment is involved, you can't say that the allowable sale quantity you have settled on in your draft plans and recommended is the only possible one. If it's lower it has some tradeoffs in one direction; if it's higher it has tradeoffs in the other direction. And what you're really saying is that in the best of your judgment, this is the best balance of all of the tradeoffs; is that correct?

Mr. **Bates**. That's true, Senator. We are making some corrections in the final that we feel will improve our plan, but that's quite true.

Mr. **Kovalicky**. Yes; I agree with that comment, Senator.

Senator **McClure**. Have you received any directions from the Washington office, the regional office, that directs you toward this issue of community stability?

Mr. **Bates**. No; I have not received any. We're waiting for the studies to be completed at the regional Washington office level and then we'll get the results.

Senator **McClure**. Yeah.

Mr. **Kovalicky**. Yeah. You mean in the development of the plan, Senator?

Senator **McClure**. Yes.

Mr. **Kovalicky**. Yeah, well, we've had broad direction that was given to us by our higher offices and also the NFMA Act itself has clarified definitions. And we had help from economists and sociologists in determining that.

Senator **McClure**. OK. I think the only other thing I would like to get into at all here today is a number of people have said to the forest industry or said publicly the forest industry has a backlog that they haven't yet cut. Do you accept their explanation that there is a need to have a backlog?

Mr. **Bates**. I definitely feel there needs to be a backlog. I don't really call it a backlog. I have 550 million board feet out here that has been sold but uncut. The industry does need 3 or 4 years of supply in order for them to conduct their business. So that's not a great problem to me. Now if it was 1 billion, then it might be.

Senator **McClure**. Yeah. But the backlog you see of 3 or 4 years is neither——

Mr. **Bates**. That's not a problem to us.

Senator **McClure**. It's not unnatural or something you wouldn't expect?

Mr. **Bates**. No; it's been there. We've had a 3- or 4-year backlog as such for the past 10 years.

Senator **McClure**. Yeah. And do you accept the statement that has been made by industry and others who have looked at that, that there are some economic reasons why they have not bid on all of the sales that have been offered; that there's some sales that are more expensive relative to current economic conditions than others that might indeed lead them to, even though they have a need for timber, not to bid on the specific sale offering?

Mr. **Bates**. That's true. We have a pretty good percentage on the Clearwater of selling most of our sales. Although as we progress through the years we're going to be getting into some of that yellow country out there that's going to be more expensive, steeper ground, smaller trees, and they may not want to buy some of those.

Senator McClure. And more contingents?

Mr. Bates. Right. They may not want to or be able to afford those. But that's part of our timber base.

Senator McClure. Yeah. Thank you, gentlemen, very much. The balance of our questions will be submitted for response in writing. Thank you very much for your appearance and testimony here today.

During the past 2 days—I wonder if we could maintain quiet for just a moment while I kind of wrap up here.

During the past 2 days we have received testimony from and had an opportunity to question approximately the Governor; the Lieutenant Governor; 19 different elected officials: county commissioners, State senators, tribal officials, highway district officials, as well as other persons occupying public office, including members of chambers of commerce; 12 other members of local units of governments such as superintendents of schools, the State PTA; two members of unions representing the rank and file workers who work in the woods and in the sawmills; 12 members of the conservation area including the Wilderness Society, and Idaho Conservation League, the Idaho Sportsmen's Coalition, the Idaho Salmon and Steelhead Unlimited and others; 22 representatives of the timber and timber products industry including such groups as Idaho Women in Timber, a community involvement coordinator for the St. Joe Valley Association, loggers, mill owners and operators, and others.

I think the hearings have accomplished what I hoped they would be in giving an opportunity to broad segments of society to appear and to testify with respect to the single question of economic impact.

This has not been designed as a hearing to review all aspects of the forest planning process or the wilderness issues. And part of that reason is because of my own conviction that something was happening in the forest planning process that in aggregate was having an effect that none of us had anticipated as we went into it. And second, that was reinforced when Secretary Myers, looking at it himself, arrived at the same conclusion and ordered the suspension of the planning process until that economic review, the aggregate economic review could be considered.

I make that statement because I think there are some people who are offended by the fact that we didn't look at this segment or that segment or another segment that has been reviewed over the years. I would be the last to say that economic impact has not been considered at all in the last several years, because I think it has. But as one witness put it to us in Emmett, I believe, earlier today: Senator, I had no reason to be involved in the forest planning process before. I didn't know why I should be concerned. But now when I see what the impact is, I have to come forward and register my concerns.

Senator Symms. That was the president of the Idaho Parent-Teachers Association, Virginia Pierce, in fact, who said that.

Senator McClure. So I think there is reason for us, and I think there is reason obviously why you put out a draft statement and draft plan for public comment and for input, and why that draft plan is reviewed so that you can take this kind of input to be reflected in the final plan when promulgated and made final.

Again, thank you——

Senator SYMMS. Can I make one more comment?

Senator MCCLURE. Surely.

Senator SYMMS. Senator McClure, I just want to make one comment. When the audience came in earlier today you asked them to restrain from any demonstrations. And I might just say that Senator McClure held hearings in Coeur d'Alene on the mining situation 2 days ago, yesterday on the forest products situation and the employment impacts it had, this morning in Emmett and this afternoon in Grangeville. And I think at this time, if the chairman would allow us to, that we'd like to give you a round of applause.

[Applause.]

Senator MCCLURE. That's what happens when he thinks he's going to be chairman.

I might note for the record, too, that in addition to those other segments that I have identified as witnesses, we have also had before us yesterday and today 10 Forest Service employees, primarily forest supervisors and planners.

I can't help but reflect, too, that the contrast between the mining hearing and these hearings that we've had and yet one similarity. Shoshone County, as you know, is in the grip of the deepest depression they have ever experienced. Ever is a long time, but this is a tough situation up in the mining district. Their unemployment is down to 43 percent. Down to 43 percent. And that's because many have left their communities.

I would say to Nick Chenowith and others, I don't want to see timber communities faced with the same kind of economic conditions. And I hope that certainly that should be a shared objective on the part of many. I do not believe that forest management should ever yield a beggar thy neighbor policy. I think everyone in Idaho is in this together. Every one of us will gain some and lose some in the balances that are sought. But I believe that there has to be a sense of a larger community in which each is willing to accept a little less than they want in order that others may live.

ADDITIONAL SUBMITTED STATEMENTS

There are some additional statements which were submitted by concerned individuals and groups which will be inserted in the record.

[The information follows:]

Letter From Edward B. Simmons, Headmaster, Community School

21 August 1986

Senator James McClure
SB 360
Washington D C 20510

Dear Senator McClure,

I am writing in regards to the upcoming hearings on the national forest planning process. I am unable to attend the hearings but want my comments to become part of the "hearing record." Please consider the following points:

a) The timber industry is declining, not growing. As a state, we must support our growth areas such as tourism and recreation. These will provide the economic base for Idaho's future and they depend on scenic beauty, wilderness, clean, unspoiled rivers and great forests.

b) The demand for timber is down. Basic economic theory tells us that the proper response is to DECREASE SUPPLY, not to increase the supply. Think about this for a moment, Jim. It makes sense.

c) The land in our state is worth far more as forest land than the little we get for the timber harvest. As a taxpayer , I am sick of subsidizing below-cost timber sales. This is bad economics and bad politics.

On behalf of myself and my students, I urge you to support and maintain healthy forests. The economy of Idaho is changing and our elected officials need to realize this. Let's get with popular opinion, Senator.

Sincerely,

Edward B Simmons

Edward B. Simmons
Headmaster

Statement of Donald M. Gustin, Deary, ID

If Idaho's timber industry is to maintain its current employment level, it will require an annual harvest of 1.7 billion board feet of timber. Inadequate timber sale levels in the proposed national forest plan will cause major economic problems for Idaho. Timber harvest on private lands has exceeded annual growth in past years and this will have to change to avoid a crisis in the private timber supply. I therefore recommend that the national forest draft proposal take this into consideration and increase the allowable harvest from National Forest lands.

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Letter From Donald E. Armstrong, Superintendent, Potlatch School District No. 285

September 2, 1986

Dear Senator McClure,

I am writing this letter in reference to your subcommittee study concerning the reduction of USFS harvest.

The Potlatch community and school district has survived one mill shutdown when Potlatch Corporation closed its mill here in 1981. Survived is the most positive word I can use. We are still experiencing the shock five years later.

The major employment in this community is still the lumber industry. With this in mind I am asking that you very carefully study the employment effects the current plan would have if it is adopted. Any reduction in forest yields would undoubtedly disrupt the lives of every member of this community.

Please consider the effects of any plan very carefully before adoption.

Respectfully submitted,

Donald E. Armstrong

Donald E. Armstrong
Superintendent

Statement of Jerry Asker

The following opinion will likely mean very little to you because you have rejected this position; but I will send it anyway so you can at least understand your opinion is not mine as an Idaho Republican interested in area economy as well as quality of life.

Quality of life as well as economy of area residents is as dependant upon the necessary safeguards of wildlife habitat and water quality standards as it is upon the near-term health of the timber industry.

Keep in mind, if allowed, industry would overcut public lands as badly as they have private lands. With a resource renewable only every 100 years, the mill operator is interested in his profit during the next 10 to 20 years and not beyond. You cannot leave the well-being of the chickens to the fox.

Someone with the interest of the future as a mandate (sustained yield concept on recognized multiple-use areas) must be the decision-maker and the warden to make sure we do not use up the future in our efforts to completely satisfy the timber industry today. The forest service is striving to accomplish that goal. To over-rule their management plan (3½ years in the making) will open the door for more lawsuits and delays.

Please let the Forest Service proceed with their management plan and allow the timber industry to work with that agency's historically fine co-operation.

[From the Idaho County Free Press, Aug. 27, 1986]

A disappointing hearing

If Idaho Senators James McClure and Steve Symms were aware of charges that the public hearings over the Forest Service's planning process were politically motivated and unbalanced, they didn't seem too concerned during the final hearing held here Friday afternoon.

The purpose of the hearing, McClure explained in his opening remarks, was to receive oral and written testimony about the effect of the Forest Service's planning process on the economy of Idaho and dependent communities.

Rather than giving the impression of objective fact-finding, however, both senators and Lt. Gov. David Leroy gave the impression that the meetings were designed more for political grandstanding than for fact-finding.

From the beginning, politics set the tone for the hearing when both Symms and Leroy took shots at Governor John Evans. (Leroy was sitting in for Rep. Larry Craig who was unable to attend due to personal family problems).

What credibility remained after these opening remarks soon was lost when the U.S. Senators began questioning panel members.

Forest planning supporters, the so-called tourism advocates and environmentalists, were given lectures and criticized by both senators following their testimony. They were immediately placed on the defensive and Sen. Symms actually got up and left the room during their oral testimony. (The senators also allowed more time for themselves than they did for these panel members who they supposedly invited to hear.)

In contrast, those speaking out against the forest plan timber harvest proposals, such as industry representatives, school representatives and elected officials, were lauded and thanked for bringing such "important and vital concerns" to the hearing.

By their actions, there was little doubt where the senators stood on the forest planning issue. Their minds were already made up by the time they arrived at Grangeville. The "fact-finding" was only a thinly disguised attempt at appearing sincere and interested in seeking public input.

With the timber issue so important to all of us here in Idaho County, it was hoped these hearings would result in an increased understanding among all those who have a vested interest in national forest lands.

Instead, the gap of understanding and compromise remains wide open.

At best, the hearing here was disappointing, especially to those who may have believed they were arranged with a sincere intent.

The forest planning issue represents much more to us than a simple political tool or vehicle to be taken advantage of in a hotly contested election year.

The concerns of the forest industry are all our concerns. Every resident in the area is closely tied to the timber economy in some way, be it the county or school budgets, local jobs or the local economy itself.

What was needed at the hearing was a more sincere demonstration of leadership, the type of leadership that promotes cooperation and understanding so that we all, together in Idaho, can work our way out of our financial difficulties. DM

STATEMENT OF MORTON R. BRIGHAM, LEWISTON, ID

The hearing, if it can be called a hearing, held by the trio of McClure, Symms, and David Leroy on Aug. 22 at Grangeville, Idaho and supposedly concerned with forest plans, was in my opinion nothing more thah a political rally and propaganda show for the benefit of Steve Symms, David Leroy, and part of the timber industry.

There was no real reason to hold the meeting for any other purpose. Ample information is readily available from the Forest Service after years of writing and rewriting forest plans and extensive public involvement. The timber industry is not satisfied with the results of the planning process and seems determined to achieve through political propaganda what it could not achieve through the democratic process. And Steve Symms and David Leroy are trying to get elected in November. These are the real reasons for the Aug. 22 fiasco.

I have worked from 1937 until my retirement in 1986 in the timber industry, and since 1953 as a sawmill consultant. In nearly a half century of direct contact with leaders and workers in the industry, I have come to some conclusions about what is behind many of the troubles it faces.

One of the worst troubles is that too much of the industry has operated obsolete facilities for too long a period. Sawing of accurate sized lumber with thin, modern saws and a minimum of waste has been too long in coming, and in many cases still has not arrived. Wasteful manufacturing has severely depleted our best stands of merchantable timber in accessible areas.

Another serious problem has been and is lack of any effort to manufacture products requiring technical advances. We need more industries such as Trus-Joist Corporation of Boise, facilities for manufacture of particle board and paneling. Prior to 1950, I doubt that any wood chips whatever were manufactured in Idaho, and millions of tons of sawmill and logging waste served no useful purpose.

During most of those years, there ~~was~~ almost no research conducted in Idaho by the timber products industry. The meager amount that was completed came from our educational institutions of higher learning, and this was only a pittance compared to the need. I recall that in 1939 when I attended the University of Idaho the graduate students in advanced wood chemistry ate dog biscuits for lunch because they could afford nothing better. The industry is now beginning to pay for this neglect.

Cutting down more and more sub-marginal timber and getting more and more subsidies for roads will do nothing except perpetuate the conditions responsible for the present state of affairs. It will be something like trying to eliminate drunkenness by building more booze distilleries.

STATEMENT OF ELLEN TRUEBLOOD, NAMPA, ID

Idaho's growth industries are tourism, recreation and outfitting and guiding. The Idaho Travel Council informs us that people come to Idaho for the state's scenic beuty, and to experience outdoor activities such as camping, fishing and sightseeing.

Idaho must support protection of its National Forests if these growth industries are to prosper.

Visitors don't come to see clearcuts and silted streams.

Lack of demand, not lack of supply, is the root of the timber industry's problem. Below-cost timber sales, where costs of selling trees exceeds revenue generated by the sales, are occurring throughout the state. Subsidized timber harvests are destroying lands worth more in an undeveloped, unharvested condition.

The Forest Service should do cumulative impact studies of forest plan effects on recreation, outfitting and guiding, salmon and steelhead restoration and other issues.

STATEMENT OF TIMOTHY J. HOHS, FRUITVALE, ID

Timber is an important part of our economy around these parts. I make my living at it. However, I also hunt and fish when I'm not working.

It seems that multiple use has come to mean only timber harvesting and if the truth be told, though the timber industry wants more timber, they are years behind cutting what they've already bought.

Tourism, recreation and outfitting bring into Idaho over a billion dollars I'm told. It would be unfair and stupid to ignore the communities supported by these industries.

Most of the forest plans are uneconomically weighted in faver of timber cutting and the Payette plan is way too heavy on cattle use which screws up both recreation and reforestation.

A more balanced approach, I believe, would be better for everyone in Idaho.

STATEMENT OF JOHN OSBORN, M.D., SPOKANE, WA

Please enclose the following comments in the hearing record on community stability--stemming from hearings to be held in Coeur d'Alene on August 21.

The timber industry is important. The timber industry is important to community stability. However, sawmill stability does not equal community stability. Forest Planning and Congressional budgeting should reflect the contributions that quality of life and recreation/tourist industries make toward community stability.

All resources should be treated equitably and fairly. The timber resource is presently the focus of a statewide cumulative analysis. The other resources--recreation, fish and wildlife, water and watersheds, wilderness, and grazing--should receive equal treatment.

Letter From James P. Seaman, Coeur d'Alene, ID

James P. Seaman
1311 "B" Street
Coeur d"Alene, Idaho 83814

August 21, 1986

Dear Sen. McClure,

I am a resident of the beautiful state of Idaho and I have a legitimate concern for the use of the state's national forests.

This letter is to express my disapproval of increased timber harvests by the Forest Service. This government agency must give equal consideration to other national forest resources in addition to timber. Tourism and recreation related industries are growth industries in Idaho, and protection and preservation of the national forests will help these industries to prosper. The problem with Idaho's timber industry is not a problem of supply (timber) but the lack of demand for the product, and timber harvests should reflect the market conditions.

There are other important considerations in national forest planning in contrast to timber harvesting. Timber-first management is not multiple use management Tourism and recreation should no longer have last intrests in national forest policy.

Sincerely,

James P. Seaman

Letter From James R. Morris, Vice President, Western Division, Wood Products Group, Potlatch Corp.

August 26, 1986

Senator James A. McClure
Chairman, Interior Subcommittee of
  Senate Appropriations
U. S. Senate
Washington, D.C. 20510

Dear Senator McClure:

I want to thank you for your decision to hold field hearings in Idaho on the subject of the National Forest Plans and their economic importance to our region.

As you know, Potlatch Corporation manages over 600,000 acres of fee-owned timberland in Idaho. While that is very large ownership, it is not adequate to provide for the total needs of our converting facilities in this area.

During recent years, Potlatch has elected to harvest merchantable timber from our lands at a rate in excess of growth. This has been done not only for economic reasons but also because we felt that reason could ultimately be restored to public land policies. We felt confident that the national forests would eventually be able to supply a volume of timber which more nearly reflected their productive capacity.

During the next ten years, the harvest of timber from private lands will be reduced. In order for mill capacity in our operating area to be sustained, the national forest must be allowed to continue to develop those areas suited for producing a timber crop. Only in that manner can revenues be maintained at levels which will help support local communities, roads and schools.

I am confident that more timber volume can be produced by the national forests while meeting all environmental requirements and maintaining compatability with other users of the national forests. Potlatch Corporation's comments on the Clearwater National Forest Draft Plan for instance, clearly laid out an alternative that would allow the national forest to increase their allowable sale quantity by 33%.

We continue to believe that the national forests can simultaneously provide a variety of uses including timber harvest. But this can only be accomplished if common sense is used.

I hope that your Subcommittee will encourage the Forest Service to re-evaluate their Plans. They must be requested to base their supply and demand analysis on all sources of raw material including private and state, as well as those of the national forests. We're confident they will find that their allowable sale quantities must be increased in order to preserve economic stability in timber-dependent communities.

If appropriate, I would like my letter included in the record of your Subcommittee field hearings.

Sincerely,

James R. Morris

STATEMENT OF EDWINA ALLEN, CHAIR, MIDDLE SNAKE GROUP, SIERRA CLUB

We have already commented on plans for many of the National Forests in Idaho. Thank you for this opportunity to express our concerns for the state as a whole.

We are eagerly awaiting the release of most of Idaho's forest plans, currently being held pending a cumulative effects study of forest plans on timber yields. Similar cumulative impact studies should be carried out for the other resources and industries dependent on our National Forests, such as tourism, salmon and steelhead, elk, outfitting and guiding, and others.

Tourism is our number three industry in Idaho and it is growing. Our over four million visitors per year are not here to view clear cuts. It is imperative that we protect our remaining pristine areas. As the world becomes increasingly urbanized, this resource can only increase in value.

Since here in Idaho we are already showing red ink of 16 million per year on our timber sales the Middle Snake Group of the Sierra Club cannot support increased timber harvests. This tremendous excess of cost over return, accompanied by the destruction of valuable fish and wildlife habitat and scenic vistas, must be controlled.

There is a lack of demand for Idaho's timber, not a lack of supply. Our backlog of sold but uncut timber is 2.1 billion board feet. From 1979 to 1984 for nine of Idaho's ten forests harvested timber volumes were much less than those offered for sale.

It is time we entered into a true multiple use management policy of our National Forests. We can have a viable timber industry and also have the advantages of wildlife, watershed, wilderness, and recreation uses on our National Forests, forests that belong to all of us.

Statement of Robert E. Burns, McCall, ID

AS A LONG TERM RESIDENT OF IDAHO, I AM CONCERNED THAT OUR REPRESENTATIVES AND SENATORS ARE NOT REPRESENTING THE TRUE FEELINGS OF THE MAJORITY OF THEIR CONSTITUENTS. IT SEEMS THAT THE SPECIAL INTEREST OF LOGGING HAS CONTINUED TO TAKE PRECEDENCE OVER OTHER MULTIPLE USE CONSIDERATIONS. TOURISM, RECREATION, AND OUTFITTING AND GUIDING ARE IDAHO'S GROWTH INDUSTRIES. THEY GENERATE OVER ONE BILLION DOLLARS FOR IDAHO - MORE THAN TIMBER HARVEST AND MINING COMBINED. THE LOGGING INDUSTRY IS SUFFERING FROM A LACK OF DEMAND. ALLOWABLE TIMBER SALES ON ALL IDAHO FORESTS SHOULD NOT BE INCREASED, BUT RATHER SHOULD REFLECT ACTUAL MARKET CONDITIONS AND DEMAND. AN EQUAL CONSIDERATION IN FOREST SERVICE APPROPRIATIONS MUST BE GIVEN TO RESOURCES OTHER THAN TIMBER. BELOW-COST TIMBER SALES ARE DESTROYING LANDS WORTH MORE IN AN UNDEVELOPED, UNHARVESTED CONDITION. MY FRIENDS AND I ARE TIRED OF GOVERNMENT SUBSIDIZED TIMBER HARVESTS. PLEASE DON'T BE PAWNS OF THE SPECIAL INTEREST GROUPS - LET'S DEVELOP A SINCERE MULTIPLE-USE PHILOSOPHY.

Statement of Harlan L. Ryan, President, Upper Clearwater-Lochsa-Selway Chamber of Commerce

The Upper Clearwater, Lochsa, Selway Chamber of Commerce wishes to express its concern on an issue that his recently arisen concerning Idahos future timber supply and the East Meadow Creek and Radcliff-Gedney roadless areas. As you are aware, the Nez perce National Forest is looking at these areas again to see if the area can sustain additional timber harvest.

We want to go on record as a Chamber with 40 members residing in the Lowell, Idaho area, that we oppose any roading of these areas. Additional roading (temporary or permanent) can only have negative effects on this valuable Big Game hunting area, and key winter Range resource. Our economic livelihood and recreation depends on the proper management of these areas. We do not oppose timber harvest for the purpose of improving Big Game Habitat, but this must be done without roading.

Northern Idaho is going through a transition from a Timber/Agriculture based economy, to a Recreation based economy. Our future fish and big game are our future bread and butter. Areas such as East Meadow Creek and Radcliff-Gedney areas (Coolwater road to the Fog Mountain road) have marginal timber resources, steep topography and are unlikely to produce economical timber sales in the short or long term. Yet these areas, with the proper management and seclusion are top Big Game producers.

We support the current Nez Perce National Forest Management plan recommendation for roadless designation and support the Forests current burning program for improving the Big Game habitat.

LETTER FROM MARY LOU FRANZESE, CLARKSTON, WA

August 26, 1986

Senator James A. McClure
Chairman
Senate Appropriations Subcommittee
on Interior and Related Agencies
Room 149
304 N. 8th Street
Boise, Idaho 83202

Dear Senator McClure:

This letter is submitted for inclusion in the hearing record on national forest planning.

As a planner in the forest products industry, I have scrutinized the planning process and provided technical input at each step, beginning with review of draft planning regulations in 1978. My purpose in writing is not to reiterate technical or legal criticisms made previously, but to offer a few personal observations regarding the plans' potential effects on Idahoans and the agency's misguided determination to ignore these effects.

I believe the Forest Service has lost its sense of mission (even though it is mandated by statute) with regard to people and dependent communities in Idaho and throughout the West. People and their livelihoods are treated as expendable statistics, willingly traded away in the false hope that the agency can "buy" its way out of conflict with environmental groups.

The record already shows that most plans, and virtually all western plans, will be challenged. Despite the court's continuing recognition of the agency's wide discretion in making substantive decisions, the Forest Service is running like hell from the legal challenge "boogeyman". The Forest Service has a losers' mentality, and rushes to acquiesce to "prevent" future confrontation.

This fear of litigation results in a lack of creativity and innovation, perpetuates and compounds unnecessary conservatism and often exacerbates conflict rather than serving the opposite, desired effect. The sacrificial lambs in each case are timber, peoples' jobs and the well-being of local communities.

The Clearwater Draft Plan provides several good illustrations of these problems:

1. The Draft Plan and EIS fail to analyze the over-estimation of timber management effects on fisheries inherent in the sediment/fisheries models. These models are based on a long series of consecutively dependent predictions of cause and effect. In many cases, crucial relationships are based on limited data. Resulting error in any of these individual predictive relationships compounds, resulting in cumulative error. The compounding effects of relationships constructed from conservative interpretations of data, conservative interpretations of physical and biological processes, and conservative assumptions, result in inflated estimates of impacts on fisheries compared to what in all likelihood will occur.

   In other words, one is left with exaggerated, model-created conflict among the fisheries and timber resources. The practical result is an agency built, false shield of protection against claims of water quality/fisheries degradation provided at the unnecessary expense of timber resources and people.

2. Another related example is the agency's tendency to "spread the impacts" of timber management over an unnecessarily large area. In its rush to demonstrate "high quality" and defend itself from charges of failing to protect water quality in a developed area, the Clearwater Forest has increased, rather than decreased its vulnerability to legal action. The draft plan calls for reductions in harvest levels in the Palouse District in order to meet self imposed water quality standards for a non-existent sensitive fishery (cutthroat trout) in an area where USFS actions are unlikely to influence water quality significantly (intermingled ownership). The Clearwater partially compensates for the drop in harvest by scheduling harvest into more controversial roadless lands.

3. A third example is the Clearwater's propensity for highly engineered roads, where costly engineering is based on the rationale that a highly engineered road is synonymous with full mitigation. Besides being pure bosh, this assumption shows a marked lack of creativity and political savvy. If the Clearwater NF doesn't want to go to court, it had best stop spending $30,000 per mile on engineering, and learn to design and build a low impact, full mitigation road - one designed and constructed to be narrower, to more closely fit the topography with lower volumes of cut and fill and less soil disturbance.

The bottom line is that the sacrifice of creativity, innovation and backbone in the interest of accommodation will boomerang in the end drawing more, not less fire.

The draft plans as written will cost people and communities dearly - a fact one does not read in the glossed over discussions of socio-economic effects in the plans. Testimony submitted by others has detailed the upcoming gap in timber supply, associated impacts and the failure of the forests to schedule there fair share of timber harvesting.

What was not discussed in detail, however, is the agency's underlying attitude. How must the forest planning teams see their roles if they did not even conduct a rudimentary analysis of other sources of timber?

Apparently in the effort to minimize controversy, the agency has chosen to avoid both the truth and the agency's accountability. The planning teams have simply assumed away problems by not looking at the role of federal timber in the regional supply picture. Also disturbing is the attempt in the DEIS to discount the importance of already underestimated timber impacts by trying to foist the "Great Tourism Myth" on the people of timber dependent communities. The message is, "Don't worry about losing a few timber jobs, because under our great plan those will be replaced by recreation and tourism."

The "Great Tourism Myth", just like the furor over timber-sale economics, has nothing to do with a genuine concern about the economy. It is simply the latest smoke screen in the same old anti-timber-management, anti-people preservationist agenda.

Economic salvation in tourism makes no more sense coming from the Forest Service than the Wilderness Society. Recreation demand in the Northern Region is the lowest of all regions in the country, and putting the very people out of work who constitute much of that demand hardly seems a reasonable way to cash in on tourism dollars.

Maybe it's time Forest Service employees had a chance to try to support their families on a minimum wage job cleaning motels or waiting tables. That is, if they can find the work. Motel and restaurant owners in communities near forests like Lewiston and St. Maries only get 5 to 10 percent of their patronage from bonified "tourism". Over three quarters is business related, i.e. timber and agriculture.

One of the first panelists in Grangeville stated that "tourism" (really the travel industry) provided 29,000 jobs with a $194 million payroll. Assuming the figures are accurate, then the people working in forest products will have the "opportunity" to give up their good paying jobs and generous benefit packages for a job that pays $6,700 a year on the average - less than minimum wage and far below the U.S. poverty threshold of $10,360 for a family of four in a rural area.

It's probably not surprising that there were no single mothers employed by the travel industry occupying a seat on the environmentalist panel and extolling the virtues of a "tourism" based economy. If she's smart that mother is in line trying to get on at the mill where wages on the average are greater than four times that quoted for the travel industry.

I have a personal, vested interest in seeing the travel industry thrive in Idaho; my husband manages a restaurant/motel complex. But the cold hard facts are this: (1) as timber and agriculture go, so goes the travel industry (including most "tourism" which is local in origin); and (2) most people employed by the travel/recreation industry are under employed as the preservationist's own figures point out, contributing little to the tax base.

Thank you for holding the series of hearings in Idaho. The hearings provided one way to sensitize the Forest Service to the devastating effects the plans as currently written will have on Idahoans. I urge you and your subcommittee to remind the USFS decisionmakers of the responsibilities to people that they and their forest planners have chosen to brush aside.

Without continued pressure from Congress as well as local concerned citizens, the forests are likely to take what they see as the "easy" way out.

I am also very appreciative of the ongoing support of your staff in dealing with this important issue.

Sincerely,

Mary Lou Franzese
2213 Bellevue Drive
Clarkston, Washington 99403

STATEMENT OF WENDELL PHILLIPS, BOISE, ID

I am surprised that you are holding hearings on the forest planning process that are limited to areas of Idaho that are not easily accessible to the majority of Idahoans. Also, I believe that all of us should have equal access to voicing our thoughts on this very important subject .

I recognize that timber harvesting makes an important contribution to the economy of Idaho. However so does the various aspects of the recreation industry. In fact, as I am sure you are aware, the recreation aspects of the use of our natural resources is in a growth phase whereas the timber industry is in a slump.

If we are to nuture these fast growing industries, we must take them into consideration when we are planning for the future use of our forests and other natural resources. There could be a tendecny to overlook this part of Idaho's economy since there are few major industry voices to remind our representatives in Congress that tourism, recreation, outfitting and guiding are also an integral part of our economy.

These industries attract over four million visitors per year and generate over $1,000,000,000 to the Idaho economy--more than timber harvesting and minimg combined.

Please keep these data in mind when you and other senators prepare a report on your limited opportunity hearings.

LETTER FROM DALE J. MCGREER, LEWISTON, ID

August 20, 1986

Senator James A. McClure
Chairman, Senate Appropriations Subcommittee
  on Interior and Related Agencies
Room 149
304 N. 8th Street
Boise, ID 83702

Dear Senator:

On behalf of my family and me, I am writing you to express my concern that the National Forests of Idaho may choose not to provide an adequate timber supply to maintain Idaho's forest products industry and to urge you to do all you can to see that they increase projected supplies.

My wife, my three children, and my mother are able to live in Idaho due to my employment with Potlatch Corporation. Many factors have contributed to Potlatch's reduction of salaried employees in Idaho - a reduction of nearly one half - over the last few years. However, it is my belief that the greatest future threat to the forest products industry is the distinct possibility that timber supplies will not be adequate to support the industry at current levels.

Even casual examination of the various Northern Idaho Draft Forest Plans reveals that the Forest Service is planning a decrease in the amount of timber they will be allowed to sell. It is my personal and professional view that these reductions are not justified by real world physical or biological constraints:

the Forest Service is choosing to decrease timber supplies due to their interpretation of constraints as influenced by their perception of local and national political pressure. This pressure is exerted by those who believe that timber and other resources, such as wildlife and fisheries, cannot be compatibly managed.

Timber and other resources can and are managed in concert within the same watersheds. This has been repeatedly and factually demonstrated by examination of the results of implementing modern practices.

I want you to know that I, and many of my friends and acquaintances, do recognize the essential nature of the timber resource here in Lewiston. My dentist, doctor, sailing club, running club, and business owners where I trade are all beginning to understand what makes this economy tick.

I do not accept the logic for decreasing timber supplies. On the contrary, we must not accept as some kind of inevitable fate that Idaho's forest products industry will wane. Idaho's public forests are in an excellent - perhaps unique - position to increase supplies to a degree that would allow a vigorous and growing forest products industry. They need to choose to do so, and they must be provided the funds to invest in Idaho's future. I urge you to secure those funds and to carry my message in no uncertain terms to the Forest Service and your colleagues in Congress.

Sincerely,

Dale J McGreer

Dale J. McGreer

STATEMENT OF ROBERT N. JONES, POCATELLO, ID

I am appalled that you have deliberately and callously omitted the general public from hearings on the forest planning process on public land. This atrocity must be rectified at once! I realize that your favorite lobbying group is the timber/mining special interest, but somewhere I remember something about "working for the public". Obviously a temporary lapse of purpose on your part.

I believe that it is sufficient that the Forest Service operates primarily as a lobbyist for the timber industry/welfare, and that you might better serve the public by acting in a manner consistent with the longitudinal public good. That is, realizing that timber welfare, i.e., deficit sales and subsidization of road-building, etc., is inappropriate! and that tourism, recreation, and guiding hold far greater economic and aesthetic promise - in addition to being truly renewable (timber harvest is largely a single-use activity, as regeneration is far in the future, assuming it is possible at all). An honest and fair evaluation of the economics of additional timber harvest on Idaho's public lands would reveal that logging is warranted on a minuscule portion of land. Timber harvest in roadless areas is a single-use lockup of resources. I suppose this is the reason you have excluded public input and have not recommended an economic assessment of actual market conditions and demand.

Please include the following in your private hearings on public forest planning process:

1. Other facets of Idaho's economy must receive equal weight with timber harvest: e.g., water quality, fisheries, riparian habitat, wildlife habitat and quality/quantity, recreation, tourism, hunting, etc.

2. Timber industry difficulties are not a result of low supply, but low demand. A thorough analysis is warranted, not a wholesale attribution to improper forest planning.

3. Subsidized timber harvest is outrageous, indefensible, and your continued support of this atrocity is appalling. A champion of public responsibility and fair play you are not.

Each prospective sale should be evaluated in respect to the cost of selling trees vs. revenue generated by such sale. Costs of sales should include: administrative costs, road-building costs, mitigation of damage to wildlife, recreation, water quality, complete closure and regeneration of road disturbance, fisheries, outfitting/hunting/fishing/other recreation loss of revenue (projected over the entire time of regeneration of road scars and reforestation). If the proposed sale cannot at least "break even" when the above factors are included, it should be denied.

4. Forest Service budgets should be scrutinized. Multiple use practices should be re-established. Road-building funds demand substantial cuts. A budgetary shift should occur to increase support for trail maintenance, fish & wildlife rehabilitation/preservation, and wilderness recreation support. This single-use of public funds (road-building, timber welfare) needs your attention and alteration. Road-building funds must be dramatically decreased.

5. Longitudinal economic and aesthetic benefit must be included in your analysis and in Forest Service planning procedures. Factors mentioned above should be included in this analysis.

There are many recreational-depended areas in Idaho. Timber harvest deserves no greater preferential treatment or weight than recreation, wilderness, water quality, etc.

6. The public should not be excluded from decisions concerning public land policies and planning.

I would appreciate your informing me of your efforts and actions to rectify the issues and problems noted above. Thanks.

STATEMENT OF JOHN E. BENTLEY, COEUR D'ALENE, ID

Your recent "public" hearings on the Forest Management Plans was a slap in the face. I can understand and appreciate the tremendous problems we are faced with in the northwest concerning our public lands and how to manage them. I also know that what ever you do will draw criticism from opposing views.

However, to take the position of " don't confuse me with facts, my mind is already made up " isn't going to be bought by the majority of the people of this state.

In the first place, you and I know that the jobless rate here in Idaho is caused by a lot more than the lack of timber. The Forest Service can not sell all of the timber allowed now. I see that over 2 billion board feet is left uncut from prior sales because of poor demand.

A major diversification of income to this state obviously can be from outdoor activities. We have an enviable opportunity here to NOT make the same mistakes made by most of the states in exploiting our pubic lands for short sighted cures to incredibly complex economic issues.

I am familiar with the public lands environment and issues. Many years ago I lived in the National Forest when dad was with the Forest Service. I also know what it is like to lose any chance to correct the results of short sighted planning of many years ago. I lived and worked in some of the major metropolitan areas of these United States.

Senator, let's not make the same mistakes! Whether we like it or not the timber industry is going to have to compromise also. They don't hold exclusive title to that land any more than you or I. A recent article in the Spokesman Review regarding the timber harvesting practices of good old Plumb Creek Timber Co. up in the St. Joe River area reminds me that unfortunately the timber industry is the one who has a credibility gap to over come. It seems bigoted for them to act so righteous now that we are concerned over what their motives are for the remaining uncut areas.

If you or Sen. Symms or Rep. Craig decide to hold a public meeting please don't exclude the public!

If that is the way you folks want to operate then we know what we are dealing with, don't we. I can't believe that responsible and intelligent people would affront the public like that. I don't think that was too bright of Mr. Symms considering this being an election year.

RESOLUTION OF THE COEUR D'ALENE CHAMBER OF COMMERCE

WHEREAS, Idaho's timber industry is dependent upon timber from national forests, state owned lands, and privately owned lands; and

WHEREAS, forest supervisors plan no increases in annual timber sales in Idaho's national forests, which contain two thirds of the commercial forest lands in the state; and

WHEREAS, inadequate national forest timber sales would eliminate 2,000 Idaho timber jobs and threaten the economies of timber dependent communities.

NOW, THEREFORE, BE IT RESOLVED that the Coeur d'Alene Area Chamber of Commerce urges the Forest Service carefully to evaluate future timber supply from all sources and to likewise consider the economic dependency of communities on an adequate timber supply.

AND, BE IT FURTHER RESOLVED that, should this study disclose a cumulative shortfall of available timber, the Forest Service is urged to modify individual draft plans to ensure supplies of timber adequate to maintain the existing timber industry.

Dated this 21st day of August, 1986.

Attest President-elect Zell

Coeur d'Alene Area Chamber of Commerce

"Sandy" Emerson

Executive Vice President
and Manager

Letter From Manny Scherr, President, Idaho Conservation League

August 15, 1985

William E. Morden
Forest Supervisor
Idaho Panhandle National Forest
1201 Ironwood Drive
Coeur d'Alene, ID 83814

Dear Mr. Morden:

This letter plus the attached specific points of concern are the formal response of the Kootenai Environmental Alliance to the DEIS for your proposed Plan of Management for the Idaho Panhandle National Forests.

Members of KEA who invested time in review of the DEIS and Plan wish to express appreciation to the many dedicated specialist and staff people on the Forest who struggled so diligently in preparation of this monumental task. We know most of them gave the most professional, honest and accurate effort possible, considering the obstacles of time, limited data and resources, confining regulations and organizational direction. We hope our critical appraisal will not discourage this team, but will instead encourage them to know that there are citizens watching and supporting their efforts.

It is essential that we clarify for you and your staff our sincere concern for the development of an honest "multiple use plan" for the IPNF. Our organization does not wish to heap more misfortune or troubles upon the beleaguered Idaho timber industry. We accept the important economic role of logging and wood processing in our communities. However, we do not accept it as inevitable that all other resources must be subservient and secondary to dollars and timber harvest goals. The timber industry must soon honestly admit that most of the serious setbacks in the past decade have been from outside influences without relationship to the national forest log supply issue - Canadian competition, high interest rates, declining national building trends, old, obsolete mills, Southeast U. S. growing site competition, etc.,. Concern for grizzly bears, caribou, elk, trout, wilderness, clean water and recreation are not the culprits that are causing mill shutdowns and logger layoffs!

North Idaho is undergoing a slow but noticeable transition from an exclusive timber, mining, agriculture economy to a more varied business and resource base that is becoming much more dependent on non-exploitative uses - tourism, recreation, light, high-tech industry, services, etc.,. Almost daily you can hear or read an opinion or a commercial pitch extolling the value and attractions of our mountains, lakes and streams. If these mountains, lakes and streams are so delightful and important to everyone, why are so many others so hellbent to denude, scar (with roads), and pollute (with silt)? We can't have it both ways --maximum commercial timber production and maximum tourism/recreation. There must be a balance. Your draft Plan has not yet achieved the balance that north Idaho demands and deserves.

In summary, KEA believes this initial major plan under NFMA is flawed, seriously enough to require significant refinement and additional analysis. We request that the Forest defer development of a final Plan and FEIS pending a detailed supplement to the DEIS. Many of the items mentioned in this critique are significant and may have major impacts on subsequent FORPLAN efforts. Resource tradeoffs, outputs, environmental, economic and social impacts, cost/benefit ratios, PNV's, budget dollars -- all of these items will be impacted one way or another by the implementation of our suggestions. Impacts resulting from these adjustments must be displayed in a DEIS supplement so that full public review and comment is available.

NEPA regulations clearly direct that a draft proposal as monumental and far-reaching as this 50 year management plan for over 2.5 million acres of national forest must have full and open public review. This cannot be achieved without another close look at your detailed reanalysis. Proceeding directly into the final Plan and FEIS is unacceptable to the environmental community and will be vigorously opposed.

At this point the Kootenai Environmental Alliance tends to favor the concepts and goals of Alternatives 9 or 7 rather than your proposed Alternative 11. Assuming a significant number of changes will result from your reevaluation, we are withholding total support for any alternative described in the current DEIS.

Thank you for this opportunity to comment. Feel free to contact KEA if clarification is needed or if we can aid your replanning effort in any way.

Sincerely,

Manny Scherr

Manny Sche~~e~~rr
President

KOOTENAI ENVIRONMENTAL ALLIANCE

COMMENTS & RECOMMENDATIONS

IDAHO PANHANDLE NATIONAL FORESTS PLAN

1. GRAZING - Grazing of domestic cattle on most, if not all, portions of the IPNF is not cost effective. Receipts from grazing do not match the direct budget costs of administration and improvements (fencing, water development, weed control, etc.,). On certain portions of the forest cattle grazing results in environmental damage or potential hazards that substantially reduce net public benefit of such grazing. Specifically of concern are grazing in (a) riparian areas (b) grizzly bear habitat (c) research natural areas and old-growth stands, (d) wild and scenic river areas.

It is not possible to graze cattle in stream bottoms (riparian areas) without measurable, significant increases in stream turbidity, sediment rate and coliform bacterial rates. Cattle will "camp" in these relatively lush, green stringers because of water availability, forage conditioning and to stay cool. Streambanks and water quality are being degraded wherever cattle are permitted along streams.

There is a distinct threat of grizzly mortality in any grazing allotment occupied by the bears. Ranchers herding and managing their stock will feel compelled to "protect" themselves and/or their stock if they confront a grizzly on the range. Shooting of grizzlies has been a major reason for the decline of these animals throughout their historical range.

Recommendation: Phase out domestic grazing on all occupied grizzly bear habitat. This can be done rather painlessly to existing permittees by terminating allotments at the time permits are proposed for transfer (selling of base property). In a few cases there may be opportunities to adjust allotments to move cattle off grizzly areas. Consider permit regulations that prohibit the use of firearms by the permittee against bears.

The forest should require that all costs of administering a grazing permit be covered by appropriate fees paid by the commercial user. At a minimum the least cost-efficient permits that are obviously inefficient to both the U.S.F.S. and the permittee should be phased out within the first decade.

Adjust grazing permits in special resource areas - riparian, wild and scenic river corridors, campgrounds, botanical areas, etc., to eliminate grazing in these areas within the first decade. Fencing of these attractive areas to exclude cattle should not be considered except as a last resort in special situations. In these cases all cost of fencing and maintenance should be borne by the benefiting permittee, not the government or taxpayers.

2. Riparian Management - Management Areas 16 goals and standards must be strengthened and made more specific to emphasize and assure protection of riparian values - water quality, riparian vegetation and dependent wildlife, stream channels, recreation values. Restrictions on timber cutting and roading are too lenient. Historically the success rate of industry logging and roading operations in stream bottoms has not been good. The margin for error is too high in such fragile and ecologically valuable areas. One careless dozer operator in one day can create stream and bank damage that takes 10-20 years to heal.

Recommendations: All of the 52,247 acres of riparian zone should be classified as unsuitable forest land to remove timber production pressures from administrators. Commercial timber harvest need not be totally prohibited, but should be specifically limited to treatments required to protect or enhance the key riparian values. In this way unregulated timber output can still occur whenever needed for fisheries, recreational or water quality purposes.

Whenever a commercial operator enters this area it should be regulated under strict contractual limitations that have high dollar penalties and termination requirements. Existing timber sale contracts are too "soft" on both accidental and careless environmental damage caused by operators.

Soften the use of even-aged management and the size of permitted clearcuts along streams and lakes. Clearcut only as an absolute last resort. Openings of 600 feet are rather generous; reduce to 300-400 feet.

Eliminate T.S.I or intermediate harvests except where required to meet other riparian resource objectives.

3. T & E Species Management - Management of T & E species (grizzly, caribou wolf) within existing and proposed wilderness is not specified in the "Standards". It may appear obvious, but the role of these special species in respect to human use requires emphasis.

Recommendation: Add terminology that emphasizes the achievement of caribou and grizzly population goal as a top priority, and that human use and enjoyment will be secondary to these goals. This is implicit elsewhere in Forestwide Management Directions, but needs emphasis wherever these animals' habitat overlap another management area.

4. Management Area 13 - These special areas are not given the attention or emphasis they deserve. Long term direction

needs to be customized for each unique site, with opportunities for meaningful public involvement. Most of existing area plans are old and were developed by agency people without public review or citizen input.

Recommendation: Revise or develop specific area plans for each unit with strong public involvement as soon as possible or within two years of Forest Plan approval.

5. MGT Area 6 - Terminology regarding the key habitat components is not clear as to the classification of "suitability". Wording on pages III-25 (Forest Plan) needs to be changed from "...key habitat components will be classed..." to "...key habitat components are classed as unsuitable for timber production."

6. Wildlife Habitat Objectives - Many of the wildlife and fish objectives depend on budgeted funds for direct habitat improvement work. There is a good chance these funds will not be available in the next several years as the Administration attempts to reduce the budget deficit. Historically fish and wildlife funding are the first to be cut in years of budget constraints.

Recommendations: The DEIS and Plan need to admit this likelihood and discuss how such a shortfall will impact forest objectives.

7. Timber Harvest - The very large increase of 41% (275 to 389 MMBF) in the timber harvest objective from 1st to 2nd decades is unacceptable and unrealistic. The R1 Regional Guide allocates only a 7.6% increase in the IPNF from the first to second decade. Regional (RPA) targets are exceeded in decades 2, 3 and 4.

The large increase in the second decade timber harvest level could become an inducement for industry to increase or expand investments in sawmill capacity. Long term economic projections indicate such investments would be high risk in this area. Impacts on other resources could be great if the timber industry geared up for the large increase in cut and Forest Plan projections were not accurate.

Recommendation: Second decade timber harvest objective should be significantly reduced to a more realistic level. Assuming all other multiple use objectives and resource constraints can be achieved the increase in decade 2 should be limited to 10-15 percent.

This more conservative increase would not create major impacts on timber industry operations, and would provide some time to monitor the Forest Plan. Considering the national budget situation and the rapidly changing socio-economic climate in the region, it is quite likely the plan will need to be significantly revised in 5-10 years.

8. Water Quality - There is concern that many of the 68 overdeveloped and overharvested watersheds which need a 10 year deferrment from logging are being impacted by timber sales projected in the Plan's first decade. Many of the worst cases may require more than 10 years to rehabilitate adequately. No early entry plans should be considered upon the rationale that direct watershed improvements projects will be funded. As discussed in the fish and wildlife item, current budget trends make hard money watershed improvements very unlikely for the foreseeable future.

Recommendation: A project by project evaluation must be made to assure each of these watersheds the full rest period needed to stabilize watershed conditions. Delete any sale or road projects based upon watershed funds availability for improvement work or mitigation. Require on-the-ground evaluation by hydrologists and fishery specialists before firm sale commitments are made in either decades 1 or 2 on all sensitive 68 watersheds.

9. Monitoring - The monitoring plan is totally inadequate and certainly not in compliance with NFMA regulations. It needs to be made much more specific in respect to what will be monitored and reported when, and what the results of monitoring will accomplish. The suggested 5 year intervals for reporting on all the resource items (except T&E species) is much too long. This would allow problems or plan deviations or errors to continue for many years before any remedial action was begun.

Recommendation: Much more frequent reviews and reporting is essential to assure compliance and meaningful quality control, particularly on these items:

B2	Indicator species population trends
B3	Elk habitat carrying capacity
E1	Watershed conditions
E2	Riparian areas
F1	Restocking success
	Unsuitable timberlands

A serious omission in this monitoring section is the total lack of any public information, review or involvement. If this monitoring remains as a "secret" agency process, it is bound to fail in its intent. Public involvement on at least the key issues is necessary.

Using program reviews for items E1, E2 is inadequate. Such reviews have a history of being too general and not receiving the priority or attention required for success.

10. Timber Utilization Standards - Lowering of diameter minimum sizes to 6" dbh for lodgepole and 7" dbh for other species was seriously protested by the timber industry 2-3 years ago. We understand that they are still actively lobbying for retention of the current standards, and may actually want to roll back utilization standards to much larger diameters.

Recommendations: Although IPNF timber specialists assure us that this small diameter adjustment is not significant in terms of total board foot output, such revisions must be made with full public disclosure and with accurate estimates of the volume impact.

11. Roadless Areas - Any roadless areas remaining in an unresolved status when Plan is completed must be classified as unsuitable (unregulated) timberland and removed from the timber harvest base acres. Otherwise district managers find themselves forced to overcut roaded areas to comply with timber harvest quotas. This has been a serious problem since RARE I (1973), and resulted in overroading and excess cutting in many watersheds. Eliminate harvest calculations on any acres not clearly allocated to timber harvest in the Plan.

12. Timber Management Economics - The Forest used timber stumpage prices for the period 1974-80 to develop timber value equations. Future projections of stumpage values are based on highly optimistic views made in the late 1970's. These high values and inflated projections have a critical impact on the economics of development and harvest. Present net values and cost/benefit ratios will be measurably changed if more realistic and up-to-date values are used. Suitability for development of existing roadless areas is dependent upon these calculations. It is likely that the area of unsuitable lands due to economic

factors will increase substantially when these revised values are interjected.

Recommendations: Make new FORPLAN model runs for the most important Benchmark runs and all the alternatives. Use stumpage value equations that include stumpage rates from the period 1981-1985 to more accurately depict current values. Base long term future stumpage value predictions on the more recent national study made by the Forest Service in 1983.

13. Old Growth Management - The Forest should be commended for their leadership role in developing an aggressive scheme for protection and management of old growth tree stands. The plan appears to be adequate if the inventory of existing old growth stands is not overstated, and if the protection of the limited existing stands is carefully monitored and assured. One weakness may be the lack of good information of OG stands by species and a firm commitment to manage for a good mix of species and types. Particularly vulnerable are any stands of Ponderosa pine and Douglas fir.

Recommendations: The monitoring plans must be beefed up to insure that ranger district annual timber harvest and roading plans carefully meet OG protection requirements.

14. Ten Year Timber Harvest Plan - It appears as though some of the critical watersheds needing at least a decade of rest from logging/roading are scheduled for harvest rather soon. Our understanding is that the first decade is being counted beginning in 1980! This plan will not go into effect until at least 1987. This results in scheduled sales entering these watersheds after only a few years of plan implementation.

Recommendation: Compile accurate stream by stream records to determine exactly when cutting and roading terminated; calculate the minimum years required to provide revegetation and stabilization. Check each watershed individually against cutting plans and adjust 10 year plan as necessary.

15. Unevenaged Timber Management - It appears the Forest has not made a good faith effort to objectively develop and explore alternative(s) that provide meaningful use of selection (unevenaged) harvest methods. There may be significant reasons, silvicultural, economic and operational, that explain this deficiency. The fact remains that NFMA specifically requires an indepth analysis of selection harvest techniques; it is prejudicial for the Forest staff to limit this analysis because their professional judgment indicated "it won't work".

Alternatives to even-aged management for timber are not included in any of the prescriptions, and there is no alternative which analyzes uneven-aged management as even a percentage method. The only harvest methods identified in the plan are clearcutting, shelterwood cutting, and salvage cutting. Per a memo dated 1/25/85 from the USDA Office of General Counsel (OGC) to the F.S. Chief states that under NEPA & NFMA selective cutting methods must be analyzed.

1. Some areas (specifically those with high reforestation costs) may be more effectively managed by selective cutting. By removing the 40 acre clear cut constraint, harvest may be increased in some areas.

2. Selective cutting may be the best way to address visual, soil, riparian and other concerns.

3. If measureable net benefits are only slightly different between even and uneven-aged management, consideration

of non-measureable public benefits may tip the scales in favor of uneven-aged management for some areas.

Recommendations: Develop real, usable unevenaged harvest prescriptions that could be utilized on north Idaho timber types. Use Forplan and any other analysis techniques to fully analyze the costs, benefits and tradeoffs of these prescriptions, and display the results so that even-aged and uneven-aged methods can be honestly compared.

16. Budget The proposed plan does not adequately address how the management plan will adjust to a decline in budget level. To begin the implementation of the plan will require a $5 million increase over the present budget level, yet there is no projected increase for 1986-7. The Forest Service is on record stating they will not enter an area (for harvest purposes) if the funding for the accompanying resource management is not available. This policy is not addressed in the plan.

Recommendations:

1. Allowance must be made for increases in management costs, and overall funding reductions.

2. Timber harvest levels must be tied to adequate funding in other departments (multiple use forests need multiple use budgets).

3. Any proposed alternative should display two variations; one with budget unconstrained and another with a realistic multiple-use budget reflecting 1986 dollar levels and three year USFS budget trends.

17. Fisheries - All harvest prescriptions use the constraint that their harvests are limited to that which can be done without reducing fry emergence by more than 20%. This does not take into consideration the effect that increased sediment loads have on the total fish numbers, as sediment effects fish stages other than at egg stage only. This fact has been recognized on other forests (Bitteroot specifically).

1. A more comprehensive analysis of sediment effects and open overstock effects on fish should be used to develop harvest constraints.

2. Monitoring of total fish numbers should be part of the monitoring plan versus using only sediment levels in spawn beds.

3. Road closure policies will be only partially effective in limiting access to roaded areas of streams. Close monitoring of this situation should be done, with appropriate feedback into the roading program.

18. Wilderness Areas - The wilderness recommendation by ICL corresponds to Alternative #7. Because of economic data and suitability data that was used for modeling many potential wilderness areas were included in the timber base. Using appropriate economies and suitability data in the modified model(s) many of the potential wilderness areas may be available for wilderness. When running the amended model, proposed wilderness areas as in Alternative #9 should be prioritized for inclusion (See listing in recommendations).

1. Selkirk-Crest/Long Canyon - The crest area is designated wilderness in the preferred alternative, but Long Canyon is not. The exclusion of Long Canyon is political in nature, an attempt to go midway between timber and wilderness.

Under the preferred alternative as it now stands Long Canyon could be designated suitable for timber in five or ten years if the supervisor determines it is suitable based on changing demand, timber prices, etc. The danger here is that prices (trends) for presently non-valuable species will not rise as predicted creating harvest pressure on the more valuable stands in Long Canyon. Long Canyon must be designated wilderness because of its unique character and as North Idaho's last remaining major drainage.

2. Grandmother Mountain - Under the preferred alternative, the headwater area of Marble Creek and Freezeout Creek are roadless, otherwise the area is to be managed for timber/elk. Under both alternatives #7 and #9, 14,800 acres would be designated wilderness. In part of this area two 1993 timber sales are scheduled with 14 miles of access road (sale area is north of Grandfather Mountain and south of Marble Creek).

3. Salmo-Priest - Under the preferred alternative the basic roadless area is designated wilderness. The acreage differences between alternatives (#7-19,600 acres, #9 - 14700 acres, and #11 - 18,300 acres) may be due to the wild and scenic river corridor through the area (Upper Priest River). The existing roaded "finger" penetrating the area contains a scheduled 89 sale with 6.5 miles of road construction. This finger area should be "cut off" to simplify management boundaries and to maintain the integrity of the area.

4. Scotchmans Peak - Under the preferred alternative, 22,300 acres are designated wilderness. The acreage figure is the same for Alt. #7 and #9, which is confusing because there is some area excluded from the basic roadless area boundary along Lightning Creek and the northeast portion of the area in the preferred alt. #11. Total net roadless area is 19,712 per the DEIS appendix. Further explanation is necessary from the Forest Service.

5. Mallard Larkins - The preferred alternative recommends only 65.5% of the proposed wilderness as in alternatives #7 and #11 (#7 X #11 - 126,500 acres v #11 = 82900). The #1 and #2 priority fish and game roadless areas are part of the conservationist alternative that are not included in the proposed plan. There is a 1994 sale scheduled on Buck Creek with four miles of road construction, and a 1992 sale scheduled on Foehl Creek with two miles of road construction planned.

The east half of the roadless area remains intact as wilderness, while the north 2/3 of the west half is designated as a timber/elk management area. This portion is characterized by the B.N. Checkboard ownership pattern and was the subject of a controversial STATE/B.N. LAND TRADE.

Recommendations:

1. Long Canyon should be designated wilderness on basis of natural attributes, uniqueness and overwhelming public support.

2. Roadless areas that contain non-forest service ownerships should be analyzed for wilderness on basis of purchase/trade opportunities. This is not specifically addressed in the plan. Particular emphasis should be placed on Mallard Larkins Checkboard and on Grandmother Mountain area in this respect.

3. The finger-like intrusion into the Salmo-Priest should be included in the wilderness area to simplify management boundary and maintain integrity of the area. Improved portion of

certain areas have not precluded their wilderness designation in other states. Sale should be rejected in this area.

4. Mallard Larkins Conservationist Wilderness proposal boundary should be maintained to protect vital elk habitat and trout fisheries in the Buck-Canyon Creek and Foehl Creek Drainages. Sales in these areas should be rejected.

5. Wilderness areas as proposed in Alternative #9 should be prioritized and rerun as conservationist alternative when new model(s) are developed for Forplan Runs. As realistic economics and the cancelling of the allowable cut effect decrease the suitable timber base, more of these lands may be available for roadless or wilderness areas.

As follows (not prioritized);

1. Blacktail Mountain (1-161)
2. Upper Priest (1-123)
3. East Cathedral Pks.(1-131)
4. McGee (1-132)
5. Tepee Creek (1-133)
6. Spion Kop (1-136)
7. Lost Creek (1-137)
8. Meadow Creek (1-302)
9. Trout (1-664)
10. Sheep Mountain (799)

19. Roadless Areas

1. Fish and game has identified 13 unroaded drainages on the IPNF that are critical elk habitat and trout (including west slope cutthroat trout) fisheries. F & G has recommended the five top priority areas to remain roadless, and the remaining 8 areas to be special elk management areas. On the 5 top priority areas, the top three will be entered and managed for timber in the first decade per the proposed plan. Alt. #11 designated priority areas #4 and #5 as roadless. Of the remaining 8 roadless areas Alt. #11 designates four to remain roadless and four will have varying degrees of harvesting and roading. See Yellow "Tally" sheet for management area breakdown.

2. The fish and game department also recommended that 27 streams maintain a roadless character to provide for high quality fish habitat. While all of these streams are to be managed as riparian zones in the proposed plan, only 10 of the streams lie in areas designated as wild & scenic rivers (2), wilderness (1), or roadless (7). Four streams are in drainages that are scheduled for capital investment roading programs prior to 1990. Thirteen streams lie in management areas having timber management prescriptions. Three streams in this situation are in areas proposed for wilderness in the conservationist alternatives #7 and #9). See yellow tally sheet for management area breakdown. Also see timber sale map for harvest schedule.

Recommendations:

1. The top five F & G roadless area recommendations should be honored and used as a constraint for modeling purposes. As mentioned several times in this comment, revised Forplan models that used realistic economics and avoid the allowable cut effect, will potentially decrease the suitable timber base and allocate more acres to roadless designation. Additional areas should be added/subtracted on a priority basis. Also as mentioned in the economics comment, under the proposed plan those areas that are designated roadless and contain presently valuable species will receive harvest pressure (supervisor re-designation as regulated areas) when prices for presently non-valuable stands fall short of predicted values. Realistic economics will help corrrect this situation.

2. Support fish and game recommendations for game and fisheries roadless requirements. (These are scheduled for release first week in August).

Recreation Amenities

20. Developed Recreation: These types of amenities are broken into two categories: "developed recreation" consisting of developed sites for public use, together with "dispersed recreation" based upon modes of transportation. The draft plan proposes that there will be no increase in developed recreation for the first decade from 1980 until 1990. The plan concedes that "This leads to a condition where site development is 10 years behind the projected use." DEIS, p. IV-8.

Table IV-4 reveals that projected use in the year 2030 will be 1259.7 RVDs (Recreation Visitor Days). Yet usable capacity is only estimated at 1136.0. Such a shortfall in developed capacity will generate overuse and exhaustion of recreation sites. Even the RPA Regional Goals provide for 1268.0 RVDs. DEIS, p. II-133. There will further be an unreasonable limit upon the public's use of national forest resources. This is particularly unfortunate in light of the benefit of developed sites in limiting impacts on other areas of the forests.

Recommendation:

Initially, the first decade analyzed by the DEIS should not commence until 1990. The commencement of the first decade five years before the DEIS is released is unreasonable. Further, sufficient funding should be applied to developed recreation to meet projected use during the first, and all subsequent decades, of the plan.

21. Recreation Settings: The DEIS presents current recreation settings by percent of acreage in Table III-3 on page III-32. These settings provide an important view of the proportions of various settings in the forest. Nowhere in the DEIS is this information presented in the form of the recreation settings for the various alternatives, or the proposed plan. Nor can this information be deduced from the table of total outputs on p. II-133.

Recommendation:

Generate a table for projected recreation settings for each alternative in future years.

22. Dispersed Recreation: Table IV-5 on p. IV-11 presents the capacity of various alternatives for dispersed recreation in the year 2030. The dispersed recreation types are divided into Wilderness primitive/semiprimitive non-motorized, nonwilderness primitive/semiprimitive non-motorized, semiprimitive motorized, and roaded natural/rural.

The conservation alternative appears generally at Alternative 7 in the DEIS. The document states that "Alternative 7 provides for 100 percent of projected use for both primitive/semi-primitive nonmotorized and developed recreation." Yet as is apparent from table IV-5 above, the alternative is also structured in such a way that 13,993,000 RVDs are provided under the plan for the most improved types of recreation, roaded natural and rural. The projected use is only 1,733,300. It appears unreasonable to draft the alternative so that the road system is developed to provide eight times the projected use.

Recommendation:

The DEIS states that in Alternative 7, "...this alternative attempts to resolve all issues and concerns by increasing the timber harvest to an acceptable level." p. B-177. It would appear that perhaps a larger road system is providing such great capacity for roaded natural and rural recreation. Yet the document further shows that out of 12 alternatives, ten have greater amounts of road construction over the life of the plan. Figure II-10 on p. II-86. The DEIS should clarify and document the manner in which such a large capability for roaded natural and rural recreation is provided by Alternative 7.

23. Roads: The DEIS projects the construction of 7,200 more miles of road under proposed alternative 11. p. IV-79. Yet the DEIS also concedes that roads "eliminate(s) primitive recreation and severely modifies semi-primitive recreation. Wilderness attributes of roadless areas are foregone. People will either shift their recreation use to another roadless area or continue to use the same area and suffer a decrease in the quality of their recreation experience. People who prefer roaded recreation will find greater opportunity to practice their desires."

The proposed alternative will result in a total of 13,643 miles of road on the IPNF. This is about one-half the distance around the world. The proposed alternative will also only provide 65% of the projected use for primitive and semiprimitive nonmotorized recreation.

Recommendation:

The proposed alternative should decrease the road mileage planned for construction in the IPNF. The designated mileage should completely meet the needs for primitive and semiprimitive nonmotorized recreation. Alternative 7 already meets this requirement.

24. Visual Quality Objectives: The Visual Resource Goals are presented in Table III-6 on page III-54. In the category of "Preservation," the IPNF has a goal of 0%. The table notes that the goals are based upon the 1980 inventory. Yet the DEIS proposes numerous areas for designation as wilderness in the selected alternative. The conversion of the 1980 inventory into goals is unreasonable, since no designated wilderness existed at that time.

Further, the use of 0% for the "Preservation" category skews the other figures also. Presumably the allotment of a certain percentage of the forest to "Preservation" would result in more acres slipping into the "Retention" and "Partial Retention" categories to maintain a balanced spectrum of visual resources.

Recommendation:

The inventory should be based upon current inventoried initial VQO's to provide an accurate figure for computations. The development activities which have occurred in the years since 1980 will have resulted in a greater proportion of acres in the more developed VQO categories. The Visual Resource Goals should use a more current inventory to maintain sufficient acreage in the less developed VQO categories.

Further, the "Preservation" category should utilize the number and percentage of acres corresponding to the proposed wilderness and roadless acreage in the ultimate selected alternative.

26. Sensitive Viewing Areas: Although the Forest has accomplished an admirable task of visual resource mapping, the

most significant and politically sensitive view areas have not been sufficiently highlighted or identified. This group would include, for example, the foreground and middleground views surrounding Hayden, Coeur d'Alene, Pend O'Reille and Priest Lakes, plus corridors along the major rivers and most heavily traveled recreation routes.

It is our contention that these areas may be manageable for both timber production and visual pleasure, but the potential output of commercial timber is much less than optimum. Inventory of these areas as fully productive timberland is inaccurate and eventually results in greater cutting impacts elsewhere.

Recommendation: Assume the worse case scenario for these highly sensitive areas in respect to public demands for unscared vistas. Calculate a conservative, reduced timber output that reflects the realities of less roading, more selection cutting, much smaller clearcuts, much higher costs of development, logging, slash disposal, administration (i.e. more below cost timber sale prospects). Some of the most critical foreground bands along these major lakes should be classified as suitable (unregulated). Reductions of 30-50 percent of potential timber output elsewhere in this management areas may be realistic.

27. Municipal and Domestic Watersheds: There are many hundreds (thousands) of people who depend on their domestic water supply flowing directly from the national forests. Some of these have permits for improvements on the national forest, others do not. Many of these water systems have little or no effective filtration or treatment facility. These small supply systems are generally poorly financed and incapable of supporting expensive capital improvements. Water users on these systems generally do not support roading and logging of their watersheds because of contamination and flow impacts.

These defacto water supply systems are ignored by your Plan. Many thousands of acres of these watersheds are foolishly considered to be fully available for commercial timber production where roading and logging can occur without restrictions or without any reduction in long-term timber output.

Recommendation: Based on the political realities such as recently experienced on the Strong Creek Watershed (City of Hope, Idaho), all domestic watersheds should be incorporated into a separate management area. All commercial forestland in this unit should be classified as unavailable (unregulated) for timber harvest until a formal joint watershed management plan is approved by the USFS and the appropriate user group. This action would prevent inflated suitable forest timber output calculations.

28. Trails. The treatment of the Forest trail system in the DEIS and the Plan is completely inadequate. The current situation on trails is given on DEIS p. III-34. The IPNF encompasses 1984 miles of summer trails, 85 miles of cross-country ski trails, and 806 miles of snowmobile trails. The DEIS further states summarily that "Trail management is planned to be the same in all alternatives." DEIS p. IV-12. No category for trail construction, improvement or management is presented in the table of IPNF Total Resource Outputs at Alternatives on DEIS, p. II-133.

The Plan asserts hopefully that "Opportunities to increase and improve the recreation trail system will be pursued." Plan, p. II-4. The objective is stated to "Increase the recreation trail system where compatible with management area goals." Plan p. II-35. The description of future trail management is also vague and inadequate in the Plan Chapter III on Management Area Direction.

Recommendation: Provide a complete narrative summary of the Forest goals and objectives for trail construction, improvement and management, with supportive data. Include a category in the IPNF Total Resource Outputs of projected miles of trails to be constructed and upgraded through the life of the Plan.

Explain how trail management can be the same for all DEIS alternatives, in contrast to the widely varying outputs for non-motorized recreation presented by the DEIS alternatives at p. IV-11.

The inventory of trails should increase during the life of the plan to accomodate increased non-motorized useage. The IPNF projections of recreation use reveal a general twofold to threefold increase in RVDs during the life of the Plan. The Forest trail program should accomodate this increase.

Statement of Daniel V.V. Heimbach, D.V.V.H. Enterprises

FOR THE RECORD, I WOULD LIKE TO POINT OUT THAT TOURISM, RECREATION, AND OUTFITTING AND GUIDEING ARE IDAHOS GROWTH INDUSTRIES. WE MUST MAINTAIN THE RESOURCES THAT SUPPORT THESE IMPORTANT PARTS OF OUR ECONOMY.

IDAHO ATTRACTS OVER MILLION VISITORS PER YEAR, GENERATING OVER ONE BILLION DOLLERS FOR IDAHO --- MORE THAN TIMBER HARVESTING AND MINING COMBINED ---PEOPLE COME FOR THE SCENIC BEAUTY. THEY DON'T COME TO SEE CLEAR CUTS AND SILTED STREAMS. LETS NOT SCREW UP THE LAST UNSPOILED STATE IN THE COUNTRY.

I ASK THAT THE ALLOWABLE TIMBER SALE QUANTITIES ON ALL IDAHO FORESTS NOT BE INCREASED, BUT RATHER REFLECT ACTUAL MARKET CONDITIONS AND DEMAND.

THE FOREST SERVICE SHOULD DO CUMULATIVE IMPACT STUDIES OF FOREST PLAN EFFECTS ON RECREATION, OUTFITTING AND GUIDING, SALMON, STEEL-HEAD RESTORATION COULD GIVE TREMENDIOUS BOUSTS TO IDAHO COMMUNITYS THEY ARE JUST AS IMPORTANT TO THE FUTURE OF IDAHO AND PROBABLY MORE IMPORTANT.

AN EQUAL CONSIDERATION IN FOREST SERVICE APPROPRIATIONS MUST BE GIVEN TO RESOURCES OTHER THAN TIMBER!

TO CONCLUDE, I WANT TO POINT OUT THAT BELOW-COST TIMBER SALES, WHERE COSTS OF SELLING TREES EXCEEDS THE REVENUE GENERATED BY THE SALES. SUBSIDIZED TIMBER HARVESTS ARE DESTROYING LANDS WORTH MORE IN AN UNDEVELOPED, UNHARVESTED CONDITION. LETS WAKE UP AND LOOK AT THE FACTS. I'M TIRED OF AN AVERAGE SUBSIDY OF OVER $16,000,000. (THAT'S $16 MILLIOM) FOR IDAHO BELOW COSTS SALES. IS THIS HOW YOUR BUSINESS GETS BY? IF TIMBER HARVESTS GO UP, THE SUBSIDIES WILL FOLLOW.

PLEASE GIVE THESE POINTS SOME SERIOUS CONSIDERATION.

Statement of Robert L. Roth, Orofino, ID

Upon hearing about this committee and planned hearings regarding proper forest management, I felt some relief and a need to express how I feel concerning this area. One would assume that these are being held to resolve this unending problem of making timber available now as well as in the future. As my livelihood is dependent upon your decisions I quite naturally become very concerned. I say my livelihood, when in fact I would hope that you are all aware of the magnitude of this problem.

I've lived in Idaho all my life and have worked for Potlatch Corporation for the last twenty one years. My occupation (Office Manager) for the Clearwater Woodlands Logging Division has enabled me to see first hand the economic distress that we have all lived with for quite a while. Not long back I reviewed the options available, presented by the U.S.F.S. I was in disagreement then and even more so now. This dealt with recommendations for present harvest as well as future harvesting of available timber. It continues to amaze me that their recommendations were for a reduction in available timber. This could be discussed into a forty two page letter, which I won't bore you with, but I will highlight some of the areas that I do not agree with.

1. Future cut took into consideration prior years cut. We have been in an economic crisis for at least five years so these really do not represent true figures.

2. One would think an evaluation of needed removal of timber would be looked at very carefully. I guess an example would be bug invested timber that will be pulp if not removed. Future planting needs should also be evaluated. One does not have to be a genius to realize that if cut has decreased in the last five years, then an increase in cut should be generated to meet planning requirements and full realization from timber to be sold.

   In 1985 we seen thousands of people out of work or a date set when they would be done. People lost their homes, cars, and have been put into a situation where their future was uncertain. Potlatch Corporation and many others, L.P., Boise Cascade, renegotiated union rates and benefits and reductions were made. Potlatch is willing to build a new mill, millions of dollars, now of all things a recommendation is made for a decrease in available timber. Would any of us make this kind of committment with our money if the future of timber being available is cloudy? Idaho's representatives were instrumental in getting changes made to where accurate costs of Canadian exports are used. Congratulations! Now our own government wants to decrease available timber, hard to believe.

Many concerns over wildlife have been raised, but as far as I know they (wildlife) don't pay taxes. I feel it's time to realize that we, the people of Idaho, pay taxes which in turn are used for government wages. Yet the officials have recommended a decrease in timber cut. Who's going to pay their wages?

Gentlemen, over the years our schools have been forced to survive on people passing levies. The quality of our education has gone downhill, low wages, elemination of classes, elimination of jobs, old text books, etc. Maybe many people don't realize that P.A.C. stumpage generates revenue for our schools, I do. Senator McClure, I urge you and the appointed committee to put the people of Idaho back to work with an opportunity to have a future. A decrease in available timber is certainly not the way to accomplish this. You see I want to continue working and living in Iahho and it's time the proper priorities were established, people vs. animals - Idaho citizens - outsiders. I would be amiss if I thought you could please everyone and that you certainly have some very difficult decisions to reach. I thank all of you for your time and work. I write only as a concerned citizen and I look forward to reviewing the recommendations that this committee makes. I believe that a decrease in available timber means that I and many others will be out of work. I wish all of you could visit our communities to see for yourself that many people have already been hurt, don't make it worse -- please.

Statement of Richard J. Hallisy, Woodlands Manager, Potlatch Corp.

First, I want to thank you for the opportunity to offer my comments on the National Forest Plans in Idaho and how they affect local employment and economic condition.

The Northern Woodlands Units is one of Potlatch Corporation's two resource units in Northern Idaho responsible for management of company timberland and delivery of logs and fiber plywood logs to the St. Maries Plywood Mill, sawlogs to the Rutledge Plant at Coeur d' Alene; and Cedar Product material to the cedar mill at Santa. In addition, we are now supplying pulp wood to two companies in Lewiston, one of which sells their wood chips to our Pulp and Paperboard mill in Lewiston.

The unit employs 181 salaried and hourly employees. In addition, eleven logging contractors provide logs and fiber for our operations. Three to six road contractors work through the summer months, constructing the necessary access roads on Forest Service, State of Idaho, and Company timber sale areas. We also employ seasonal tree planters, slashing and burning crews during the process of reforestation. Employment of our contractors totals approximately 360 people.

Our operations cover a 5 county area, southern Kootenai, Benewah, Shoshone, Latah, and Northern Clearwater counties. Both company and contractor employees live in the local communities throughout this area; Coeur d' Alene, Kellogg area, St. Maries, Potlatch, Deary, Bovill, and Elk River. These operations provide a fairly stable employment base through our operating area. Annual payroll approximates $9 million to $10 million within this five county area.

Our five county operating area includes the Fernan, Wallace, St. Maries, and Avery districts of the Idaho Panhandle National Forest and the Palouse district of the Clearwater National Forest.

Research by the Forest Service shows that annual harvest on private lands have exceeded annual growth over the past 10 years. One of the reasons has been the lower logging cost, hence lower log costs on private land versus the higher logging costs on Forest Service land occasioned by rules and regulations. Some examples are road building costs in excess of $50/MBF, brush disposal cost of $20/MBF or more and KV planting costs exceeding $300+/acre. We, at Potlatch, are expected to build roads at 20% or less of the Forest Service cost, dispose of brush at maximum of $4/MBF and plant at $100 to $125/acre.

The Plan draft projected cuts for both of these national forests are both below the projected need of the local communities within these forests. The draft plans propose 275 MMBF/year for Idaho Panhandle National Forest and 150 MMBF/year for Clearwater, while the need is 340 MMBF/year and 215 MMBF/year, a short fall of 130 MMBF/year/ Put in simple terms, this shortfall is 76% of the sawlog volume the unit produces for our mills. Further translation means that Idaho workers totalling 3/4 of our unit total employment, plus their families, could be impacted at some future date.

Projected wood usage is expected to increase in our country at a time when a decrease in available wood is forecast in the South and Canada. The National forests hold the largest standing inventory of softwood in the Pacific Northwest, and the Inland Empire.

A decreasing supply of wood from private land and lower harvest from Forest Service lands will result in mill curtailments, lower employment and local community destabilization.

The Forest Service should be called upon to provide their fair share of the timber for the local communities to maintain their economy and make the area an enjoyable place to live, work, and play.

The Idaho Forestry Council estimates the Idaho Panhandle National Forest and Clearwater National Forest can sustain a harvest of 340 MMBF/year and 215 MMBF/year respectively. I hope you and your committee will have the Forest Service re-evaluate their forest plans and offer their rightful share of wood for the local milling industries.

STATEMENT OF BILL MULLIGAN, ST. JOE VALLEY ASSOCIATION

Please accept my apology for being unable to testify at your Coeur d'Alene hearings on the Forest Plan. An emergency occurred, and I was unable to break loose from a forest fire committment east of Clarkia. In my place, Tim Mueller of Edwards Investment Co. gave oral testimony for the St. Joe Valley Association.

This correspondence will constitute official written input for the Association. We request careful consideration of our input, as our association is deeply concerned about the future of our community, and how to attain economic stability over the long run. Our area is closely tied to the timber products business, and therefore, no issue can be of more concern than that of stable, long-term timber supply. We know that a reduction in 1 million board feet in timber translates to a loss of 9 or 10 direct jobs in the area, and no other business is capable of filling the void created by the loss of timber jobs.

A key component of timber supply is the contribution to be made by the Forest Service. We are well aware of the status of private industrial and non-industrial timberlands in the tributary area. We also know well the capability of the State, BLM, and B.I.A to contribute timber volume. We believe the Forest Service must fill the projected void that is in our immediate future. To understand the issue, the problem must be accurately and completely studied.

Early in the draft plan process we recognized a serious problem developing. Each Forest was working independently on a plan, and each was talking timber volume significantly lower than the historical planned volume and biological capability. We recognized the problem was cummulative, and in total was about to present a bleak picture in terms of timber output. When draft plans began to materialize, our fears were realized. Even more alarming was the timber plan as the final plans were prepared. Preliminary discussions indicated that Region I had failed to coordinate the timber outputs, and many Forests, especially the Clearwater, were talking further timber reductions in final plans. Direction to consider economic impact to local communities prior to drawing up final plans was an eleventh hour decision, and although delaying the process temporarily, may result in saving both the process and local economic disaster. It is almost unbelievable that the Forest Service would overlook this necessity.

It is important the the Forest Service also stop playing the numbers game to attempt to convince us that things are better than they really are, and we offer the following in explantation:

1. Utilization - the plans lower top diameter, and increase removal of material as sawlog that is 25% sound, rather than the present 33%.
2. Dead White Pine - new removal requirements have changed the classification of certain dead White Pine from pulp to sawlog.
3. Sale Under-runs - the Forest subtracts cut volume from sale volume and classifies the balance as uncut, or backlog volume. This is incorrect, as large sales are currently experiencing major under-runs in volume cut-out. Two sales recently completed by Potlatch Corporation on the Idaho Panhandle National Forest undercut 35%, or 12,300 MBF.
4. Length of Sales - the time requirement on sales has been significantly reduced in recent years. This has created a problem in that when combined with volume off older, long-term timber sales, harvesting levels must significantly exceed yearly sale levels in order to meet contract requirements. This proves a significant problem considering today's market conditions and sale buy out problem, and renders volume under contract and volume sold numbers meaningless in attempting to establish future cut levels.

5. Determination of Cut - it is beyond our comprehension why the Forest Service has chosen historical data, somewhat tainted, to establish future harvest demand. Anyone of logic in business must look to future need to be successful. The Forest Service must do the same.

The whole process of how the Forest Service evaluates performance, and takes credit for the timber sale program is in bad need of review. There should be no tricks or illusions in presenting timber volumes on a basis we can understand and relate to past experience.

We thank you for conducting hearings on this very important subject, and wish you well in your efforts to improve the situation. We remain available to assist you in the future.

LETTER FROM J. BRENT THOMSON, SHY CO.

Ausgust 28, 1986

Senator James A. McClure
Chairman, Senate Appropriations Sub-Committee
on Interior & Related Agencies
Room 149
304 North 8th
Boise, ID. 83702

Dear Senator McClure:

Please accept this letter as testimony relating to the proposed Forest Plan for the Clearwater National Forest.

I am writing this letter as a 50 year old business man who has been a resident of Idaho for 30 years. My wife and I have operated the Sacajawea Lodge & Helm Restaurant in Lewiston, Idaho since 1972. Prior to that it was owned and operated for 9 years by my Father-in-Law, Wade A. Patterson. I served as President of the Idaho Innkeepers Association during the time period in which the Idaho Travel Council was planned as a tax supported agency to promote tourism in Idaho. I subsequently served on the Idaho Innkeepers board of directors for several years.

It is from this perspective that I wish to address some of the questions pertaining to the economic impact of the Forest Plan on the "Tourist" Industry.

The subject requires an understanding of the statistical information released by the Idaho Travel Council (ITC) pertaining to tourism. The State of Idaho has enacted a 2% motel room tax that applies to all room rentals in the State, regardless of the purpose for which the room is rented. The monies collected by the State Tax Commission become the basis for the information used by the Idaho Travel Council. "Tourism" has been defined by the ITC as business which is related to persons who are 100 miles or more from their home, regardless of reason. This is a rather broad definition and includes all commercial and government business travelers, convention business, and even forest workers as well. The ITC relies on the State Tax Commission to collect and report tax monies. The ITC does not usually reduce the reported sales tax figures to compensate for rentals made to persons who live within 100 miles of the motel room rented. Consequently, "Tourism" dollars reported by the ITC for motel rentals are usually the total motel revenue, regardless of the purpose or location of the renter.

The tax monies are recorded on a county by county basis and are also recorded by Travel Region. Region 2 includes Latah, Nez Perce, Lewis, Idaho, and Clearwater Counties. Idaho is generally perceived as a major beneficiary of the Tourist Industry largely as a result of the excellent public relations job done by the ITC and its widespread advertising program which is especially effective within Idaho itself. Region 2 and Region 5 depend primarily on business travelers and local people for their motel rentals. This is not typical of the rest of the State. Region 2 does not enjoy any major Ski Resorts and the true tourists only come in the summer. Even then, Routes 95 & 12 are not major interstate roads recommended by travel agents for travelers going East-West or North-South. Neither is our region served by a single major airline. The closest major airport is Spokane, over two hours away by car.

The ITC figures for room sales in Region 2 for fiscal years ending in June 1984, 85 and 86 are itemized by county in the table below.

COUNTY	FY84 RM SALES	FY85 RM SALES	FY86 RM SALES
CLEARWATER	339,466	372,322	395,231
IDAHO	748,438	859,931	871,221
LATAH	2,392,479	2,330,974	2,500,311
LEWIS	74,911	71,953	85,195
NEZ PERCE	2,178,092	2,206,879	2,167,354
REGION II TOTAL*	5,733,388	5,842,062	6,019,314

* TOTALS REFLECT MISC. RECEIPTS AS WELL AS COUNTY SALES.

The Lewis-Clark Innkeepers Association did a study about a year ago to determine both occupancy rates and purpose of travel in the Lewiston-Clarkston area. The study represents about 5 % of the total rentals made in the area, and results are shown below.

PURPOSE	% OF TOTAL RENTALS
COMPANY BUSINESS TRAVEL	50
GOVERNMENT TRAVEL	12
BUSINESS MEETING OR CONVENTION	3
TOURIST	12
COLLEGE ATHLETIC EVENT	5
CONVENTION FOR CIVIC CLUB	8
HOSPITAL OR MEDICAL VISIT	<1
LOCAL SHOPPING VISIT	4
BOWLING, SOFTBALL, TRAP, TENNIS	4
HUNT, FISH, CAMP, BOAT	2
TOTAL	100

Total room rentals for the fiscal year ending June 1986 were in the vicinity of 115,000 rentals in Lewiston and Clarkston combined. The economic activity related to the "Wilderness" use of the National Forests would thus be associated with some part of the Hunting, Fishing, Camping, Boating segment of the survey or about 2300 annual room nights for the Lewiston-Clarkston area. The Moscow area is similar to our own in that they do not enjoy much true tourist business, but rather on parents and students at the University of Idaho and at Washington State University, conventions, and business travelers. Many of our Lewiston business travelers also stay in Orofino and Grangeville. For this reason, I doubt that more than half of the room rentals in Lewis, Clearwater and Idaho Counties are forest related.

An estimate of the total motel room revenue resulting from the recreational use of the Clearwater National Forest is made below.

ESTIMATED REGION II MOTEL REVENUE FROM FOREST RECREATION USE

COUNTY	RM. REVENUE	PER CENT	DOLLARS
CLEARWATER	395,231	50	197,615
IDAHO	871,221	50	435,610
LEWIS	85,195	50	42,597
LATAH	2,500,311	2	50,006
NEZ PERCE	2,167,354	2	43,347
TOTAL REVENUE			769,175

Although the estimated revenue due to forest use is significant at $769,000, it is not comparable to the revenue generated by the forest products industry.

The concept that the Clearwater National Forest is being used extensively by the rest of the United States, thereby providing tremendous economic benefit to local residents is baloney. Registration cards signed by motel customers show their home address. A study of these cards provided the following information about where customers come from to stay in Lewiston motels. It is reasonable to think that these same persons stay in Lewiston enroute to "use the forest".

WHERE MOTEL CUSTOMERS COME FROM BY STATE

	% OF TOTAL ROOMS RENTED BY MONTH		
Motel Customer's Home State	JAN	MAR	JUN
IDAHO	38	43	38
WASHINGTON	42	31	32
OREGON	14	10	8
MONTANA	1	4	3
CALIFORNIA	1	5	4
UTAH	0	1	1
ALL OTHERS	4	6	14

It is clear that the area people, themselves, provide the vast majority of our motel business. I consider it quite likely that they also provide the majority of the use of the National Forests.

Please do not let people distort these economic facts to justify destruction of the economic lifeblood of our economy. While tourism and conservation are of vital interest to me, our economy in Lewiston is tied directly to the well_being of the timber industry. Over the past 5 years, motel occupancy rates have declined together with the decline of the timber industry. A healthy timber industry requires a supply of timber that can be counted on. If that can be provided in Region II the Idaho Travel Council will soon be able to claim a very significant increase in "Tourism". Thank you for your consideration.

Very truly yours,

J Brent Thomson

J. Brent Thomson

LETTER FROM FRANK P. JERNIGAN, LEWISTON, ID

August 25, 1986

Senator James A. McClure, Chairman
Senate Appropriations Subcommittee
  on Interior and Related Agencies
Room 149
304 North 8th Street
Boise, Idaho 83702

Dear Senator McClure and Member of Subcommittee:

One of the priciple changes given to the Forest Service by congress in the beginning was to provide economic stability for the communities within its operating area. In my opinion the preferred draft plan on the Panhandle, Clearwater, and NezPerce National Forests do not adequately address economic stability. In most counties in north Idaho funding for roads and schools are heavily dependent of monies received from the sale of federal timber. Sources of revenue for local communities, counties, the state and federal government are derived from the taxes received from people who work in timber related industries. I do not believe any of the three plans which I have reviewed provide a timber base which will maintain our present economic stability in north Idaho.

Thank you for allowing me to enter this brief statement into the hearing record. Please find attached my letter to Mr. Jim Bates, Forest Supervisor, Clearwater National Forest, which expresses my thoughts in more detail on the Clearwater Plan.

Sincerely,

Frank P. Jernigan
3331 - 6th
Lewiston, Idaho 83501

August 9, 1985

Mr. Jim Bates
Forest Supervisor
Clearwater National Forest
12730 Highway 12
Orofino, Idaho 83544

Dear Jim:

I appreciate the opportunity to comment on the proposed Clearwater National Forest Management Plan. First, to put my comments in proper prospective you should know a little of my background and future plans. I am a professional forester with 39 years of experience. Approximately one-half of which was with the Forest Service in Region One, the other in private industry. In a few short years I plan to retire and spend the rest of my life in Idaho hunting, fishing, and camping. No close relative of mine earns their livelihood from the timber industry. I sincerely hope you or any employee of the Forest Service would not take this letter as a "cheap shot", my comments are sincere and intended to be constructive.

After reviewing the Clearwater Plan in some detail and briefly reviewing the Nezperce and Panhandle plans, I come to the conclusion that the Forest Service made the decision to recommend the alternative which would produce the least political discomfort for the agency. As a forester, I think a political approach to land management is wrong. I feel a sound defensible management plan should be based on the keen assessment of needs, obtainable potentials of the resource and the interrelationship between adjacent national forest resources, as well as other public and private lands.

It appears to me the planners have either not assessed the demand on the timber resource correctly or have chosen to largely ignore it for political reasons. When one reads papers like "North Idaho's Wood Pile - Going Going" by Alan W. Green, Resource Analysis, U.S. Forest Service, Ogden, Utah, (copy attached) published in Western Wildlands Winter 1985, and the personal knowledge I have at least in Clearwater County, I can only conclude the Clearwater has not done its homework on timber needs. During the period 1974-1979 before RARE II, Region One was offering 1.7 billion board feet annually, the Clearwater National Forest 170 million board feet. This was reduced to 1.2 billion as a result of RARE II. During the 1974-1979 period dead white pine, cull cedar, and green mandatory pulp was not included in the allowable cut. This would mean the Clearwater Forest could offer for sale in excess of 200 million board feet annually. The conversion capacity has not changed to any extent during the entire period. Due to the drop in Forest Service's available timber after RARE II and other economic factors, mills turn to other suppliers of timber, namely private and state.

With the timber supply need in mind, let's examine the three other major resource needs. Water Quality: The planners have elected to exceed water quality standards required by the EPA. I realize a couple of state agencies have applied pressure on you concerning water quality. I also know the present model used to project water quality is statistically unsound. It appears that the Forest Service is not willing to take any risk whatsoever in this area. Water quality standards should be established on a more reasonable basis. I will never believe that more road construction and timber harvesting can not be done and still maintain acceptable water quality. Wildlife: Elk appears to be the main concern in the new plan. From the literature and from my own observations of watching and hunting elk, I conclude that logging at best only temporarily displaces elk. In areas where this is a concern it can be largely mitigated with timing of the logging activity. The fact remains that proper timber harvest generally helps elk habitat. The problem with elk management is not timber harvesting, but people and road management as well as winter range. Wilderness: I do not think North Idaho can afford much more wilderness, including roadless areas, than is already established by law, if the cities and towns are to remain stable economically. It may become necessary to manage the peoples' use of established wilderness area much as is presently being done on the Salmon and Upper Snake rivers.

The Forest Service was founded by congressional act and one of the charges it was given was to provide economic stability for the communities within its operating area. I don't feel your present recommended plan adresses stability to the extent it should. I do not envy you in making your final decision on the Clearwater Management Plan, but I hope for the people of this area and the state as a whole, you decide on an allowable cut in the range of 190 to 210 million board feet annually.

The recent decision made by Potlatch Corporation to close Jaype and Lewiston mills has not influenced my recommendations. I am sure if the resource of timber is made available over the long term, the required capital would be invested by someone to convert and market the produce if a reasonable profit could be made.

Very truly yours,

Frank P. Jernigan

Frank P. Jernigan

STATEMENT OF GARY D. CASH, GRANGEVILLE, ID

In response to the proposed Forest Plans on the Nez Perce and Clearwater National Forests I would like to offer these comments.

Having been born and raised in this area and having followed the wildnerness and evironmental issues on the Nez Perce National Forest for the past several years, it is my opinion that we are being led down a a primrose path that will lead to economic disaster for the residents of Idaho County.

First we had the so called Gospel-Hump compromise that was hammered out under the auspicies of the late Senator Church, forest service representatives, wildnerness advocates, fish and game personnel, timber industry leaders, community leaders, etc. When this compromise was finally settled the members of this task force were led to believe, along with the general public, and I believe members of congress, that the wildnerness and/or roadless area issues were pretty much resolved on the Nez Perce, and that the areas outside the designated wildnerness boundaries would be released for multiple use, including timber harvest.

During this period of time Senator Church publically stated that he "did not want to see another sawmill closed in Idaho." Since that time cities such as Kamiah, Grangeville, Riggins, McCall, Orofino and Lewiston have each felt the economic effects of mill closures. In Grangeville alone we have reduced the number of jobs in our local sawmills by over 120 since 1979. Since 1979 we have had numerous business failures in Grangeville, we have over 110 homes for sale in this small community and the tax burdens have steadily increased for county schools and road districts.

In the latest development we were urged by local forest service officials to support their preferred Alternative G in the Forest Plan for the Nez Perce. Even though members of the local timber industry felt the sustained yield should be raised from the level of 113M bd. ft. per year, as suggested in Alternative G, to around 120M bd. ft., we collectively agreed to support Alternative G. We went so far as to present a slide show to various groups in the area expressing our support of the forest plan's Alternative G.

When we found out that the forest service did not even support its own preferred Alternative G, and that Potlatch Corp. was planning on getting back into the ball game with a brand new, multi-million dollar complex at Lewiston, we became extremely alarmed about the future of the forest industry in central Idaho.

I would contend that even the Forest Service officials on the Nez Perce would admit that portions of the existing "roadless areas" such as the west side of Meadow Creek are economically viable for timber sales. I also find it ironic that some these "roadless areas" actually have existing roads that would inhance the possibility of timber harvest.

It is my believe that if effective timber management techniques are utilized, including road closures, there is both the resource and the manpower available to put up at least 120M bd. fot. of economically viable timber sales on the Nez Perce on a sustained yield basis over the next decade and for decades to come. I also maintain that if proper techniques and constraints are exercised we would not harm the environment for either wildlife or fisheries, and would actually improve the elk and deer habitat.

In summary I would like to say I don't feel the Forest Service has actually considered the impact the proposed Forest Plans will have on the economy of the local communities. We are fortunate to be able to live in a part of this great country where we can afford to set aside huge areas of wildnerness but I concur with the concept that "ENOUGH IS ENOUGH!".

Much of the wildnerness areas already set aside or "locked up" are so huge and inaccessible that only a minute segment of our population will ever be able to enjoy them.

STATEMENT OF JOSEPH M. HINSON, INTERMOUNTAIN FOREST INDUSTRY ASSOCIATION

Intermountain Forest Industry Association represents timber growers and wood product manufacturers throughout the Northern Rockies. We appreciate this opportunity to discuss before this committee the timber supply implications of the draft forest plans for Idaho. My testimony will focus on timber supply from a statewide perspective.

There are three sources of timber in this state--private lands, the national forests, and other public ownerships, including the state endowment lands. Historically, other public lands have provided 10 percent of total supply (the amount harvested each year), while the national forests and private lands have provided fifty and forty percent respectively.

However, over the past decade, increasing amounts of privately owned timber has been harvested, both in response to the high price of federal timber and to reduced timber sales from Idaho's national forests (sales during 1981-1984 averaged 108 million feet per year less than during 1975-1979). There is only 3 million acres of private timberland in Idaho. As harvesting was concentrated on this ownership, the inevitable happened--annual harvests exceeded annual growth. In 1984, the harvest from private lands was 861 million board feet, while growth was only 580 million board feet.

We must emphasize that harvest in excess of growth is not "bad management", per-se. Financial and silvicultural factors motivate private landowners to harvest timber. They are not and should not be limited by the harvest limitations that we find on public ownerships.

Financially, some landowners simply found timber prices during this period to be sufficiently attractive to cause them to sell logs. Others might have preferred not to sell, but, in fact, needed money to bolster declining farm or business income. Silviculturally, some landowners recognized that their timber was mature, had ceased growing, and that their mature timber and invest part of the proceeds into a new, fast-growing stand.

The three million acres of private lands will remain an important component of timber supply in Idaho. At current rates of harvest, however, we not only are cutting mature, ready-to-be-harvested timber, but also younger timber growing at an accelerated rate--what foresters call the "growing stock". But as timber becomes scarce over the next decade, prices for it will rise, causing more and more landowners to react in a perfectly rational economic sense, and sell their growing stock. In short, short-term financial considerations will outweight long-term silvicultural ideals. The result is that essentially all the sawtimber-sized trees will be cut, sharply reducing timber availability until the land can grow more. This is well documented in the 1985 Western Wildlands article "North Idaho's Private Wood Pile Going... Going...", written by Forest Service researcher Alan W. Green.

If Idaho's timber industry is to survive at its current level, then the national forests must now begin to meet their share of the state's timber needs. The draft plans of the Panhandle, Clearwater, Nez Perce, Payette and Boise National Forests must be modified so that the total allowable sale quantity increases from 679 million board feet to 900 million board feet. While this increase is large, it is not unreasonable, since each forest could choose an alternative plan which meets this timber supply goal, plus all the other needs for quality hunting and fishing, undeveloped and developed recreation, and scenic beauty.

We have attempted to analyze the impacts of this shortfall on an individual forest and "working circle" basis, a working circle being that area which normally supplies logs to the mills within it. In addition, IFIA has prepared a series of graphs, tables and illustrations which summarize the statewide economic impacts of inadequate allowable sale quantities, and we are happy to submit these for the hearing record.

Finally, we would summarize the economic impacts of an annual 220 million board foot shortfall to Idaho's economy by noting that it would cost 2,000 timber industry jobs over the next ten years. This failure to sell sufficient national forest timber would also cost each year:

1. $40 million in timber wages
2. $2 million in state revenues from taxes on these wages, and
3. $2.5 million in funds for county roads and public schools lost because more federal timber was not sold.

We believe the choice is clear for Idahoans, and should be to the Forest Service as well, as that agency finalizes its forest planning decisions. Allowable sale quantities--the maximum amount of timber available each year--must be increased. Unless they are, there is no chance that the industry can remain at its present strength over the planning period.

Thank you for the opportunity to testify.

STATEMENT OF JULIE CHENOWETH, PRESIDENT, OROFINO CHAMBER OF COMMERCE

The Orofino Chamber of Commerce urges the Forest Service to carefully evaluate future timber supply from all sources and to likewise consider the economic dependency of communities such as ours on adequate timber sales.

Idaho's timber industry is dependent upon timber produced in the national forest as well as state and privately owned forest lands. At this time, however, the forest supervisors plan no increase in annual timber sales in Idaho's national forests. Those forests contain two-thirds of the commercial forest lands in the state and with inadequate timber sales elimination of jobs follow...some say two thousand plus jobs will be lost. Can you imagine what that would do to the economy of Orofino as well as to our neighboring timber-dependent communities?

We believe that the national forests can sustain a far greater yield than the forest plans indicate. We urge the draft plans of the respective national forests be modified so that the total allowable sale quantity increase from 679 million board feet to 900 million board feet. Without that increase, the economic health of northern Idaho will continue to decline and its citizens will suffer.

The implementation of an effective forest plan is vital. We trust you will take our suggestions and keep our people working!

STATEMENT OF HARRIET BARKER, MEMBER, IDAHO WOMEN IN TIMBER

FROM LOWER TIMBER SALES ON THE CLEARWATER FOREST THE ECONOMIC IMPACT IN CLEARWATER COUNTY WHICH INCLUDES OROFINO HAS ALREADY HAD REGRESSIVE RESULTS.

IT HAS EFFECTED OUR SCHOOLS BY REDUCING THE 25% OF FOREST FUNDS FROM $262,210 FOR SCHOOL YEAR 83-84 TO $117,585 FOR YEAR 84-85.

ALMOST A 50% REDUCTION. CONSQUENTLY THE RESIDENTS WERE ASKED TO ACCEPT TWO OVER-RIDES THESE PAST TWO YEARS.

THE EMPLOYMENT IN DIRECT TIMBER INDUSTRY IN CLEARWATER COUNTY AVERAGED 1046 EMPLOYEES IN 1983. IN 1985 THAT FIGURE WAS 983.

TO ADD INSULT TO INJURY, IT IS QUESTIONABLE AS TO WHETHER THE EMPLOYMENT OFFICE WILL STAY OPEN. FROM A STAFF OF TEN IN PREVIOUS YEARS, IT NOW EMPLOYS TWO PEOPLE. PEOPLE WILL BE REQUIRED TO TRAVEL TO LEWISTON FOR ASSISTANCE.

THE MERCHANTS ARE FEELING THE TIMBER SALES REDUCTION THROUGH SLOW BUSINESS. WHILE TWO CLOTHING STORES CLOSED IN 1985, THE LEADING COMPETITOR IN OROFINO REPORTS LAST YEAR'S SALES DOWN 5% FROM 1982. HAVING BEEN IN BUSINESS FOR 12 YEARS, LAST YEAR WAS THE FIRST YEAR THEY LOST MONEY. POWER, WATER AND TAXES HAVE ALL INCREASED.

THE SALES PITCH TO COMPENSATE FOR LESS TIMBER HARVEST AND MORE WILDERNESS HAS BEEN MORE TOURIST TRADE BUT THAT HAS COME OFF LIKE A DUD. WHILE INQUIRING ABOUT THE SPORTMAN'S BUSINESS WITH THE OWNERS OF THE MOST CONVIENT SPORT SHOP, THE WORD IS A SIGNIFICANT REDUCTION IN SALES FROM 1983, AND THE FIRST HALF OF 86 IS A CONTINUING DOWNWARD TREND.

HOPEFULLY THE FOREST SERVICE WILL TAKE ANOTHER LOOK AT THE TEN YEAR PLAN AND DECIDE OROFINO SHOULD NOT BECOME ANOTHER KELLOG, IDAHO.

Statement of Lenore Elaine Semmler, Pierce, ID

My name is Mrs. Lenore E. Semmler, wife of Kenneth C. Semmler, an employee of Potlatch, Headquarters, Idaho. Our residence is in Pierce, Idaho where we have a home on Canal Street. We have a daughter who is married and a son in his senior year at the University of Idaho, Moscow.

We have watched the quality of our community life in pierce diminish as a result of the economic impact of reductions in allowable harvest of timber on the Federal and state lands in central Idaho. The past two years our school district has had to have an override election to provide funds to operate. The first year it failed because of fears of the closure of the Jaype mill. Last year a much-reduced levy was passed, which has not stemmed the flow of quality teachers from our district in search of more stability and a better economic base.

Drive with us up into the Whispering Pines housing development and look at all the homes that are empty and for sale. Every other house, it seems, is vacant, the lawns dead because there's nobody to water them. All of these homes but one were occupied in 1975 when we were in the market for a home.

Many families have left in the past two years. They have left in anticipation of a crisis generated by the reduction in allowable cut reflected in the proposed Forest Service plan. Little mills will have to close if the current figures are allowed to remain in the plan.

In 1983-84, forest funds contributed $262,210 for schools. In 1984-85 it was only $117,585. In Pierce our elementary school was recognized nationally as a top school in its field. Our administrator and many of our teachers have their applications out in other states and two of our teachers left this week for a job in Alaska. Their reason for leaving was purely economic.

Our churches are feeling the pinch too. Last year we needed help at Faith Lutheran Church from other churches in the North Pacific District, just to keep and pay a pastor.

The callous attitude on the part of Forest Service Personnel is what is so disheartening. They are figures and paper-oriented, not people and community-oriented. They are on the government payroll, but it is our taxes that keep the government afloat. The eroding tax base in North Central Idaho portends ghost towns and a quality of life that is worth striving for being destroyed for a "pie in the sky" elitist idea of wilderness preservation. What good is the wilderness if you can't afford to fly into it, or if you're too old or ill to hike in. What does it profit anyone if it just burns down because a lack of access roads makes it impossible to reach forest fires? Please act to bring sanity and stability back to North Central Idaho before it's too late.

Statement of Scott E. Reardon, Senior Accountant, Potlatch Corp., Northern Units Logging

My wife and I just recently moved to the St.Maries, Idaho area, and we are already overwhelmed by the extent of the community's dependence on the logging industry. Besides the fact that our personal income is now derived from the timber products industry, it is apparent that a large percentage of our neighbors, friends, and acquaintances are either guipo loggers, work in the plywood mill, or are retired from the logging business. Our community is not hoping for a constant rate of lumber production, but the town of St.Maries is rather anticipating a continual increase in lumber production, and thus a corresponding increase in available timber lands is expected.

Prior to my employment with Potlatch Corporation, my knowledge of the timber industry was probably equal with that of the average voting citizen, consisting of limited views concerning available timberlands and reforestation procedures, to name a few. But after talking with the field workers themselves and making frequent trips to cutting areas, I am astounded by the evidence that exists concerning the abundant supply of the nature resource of timber and the careful and knowledgeable planning that has gone into its care and preservation.

As a former seasonal resident of Yellowstone National Park in Wyoming, I am very aware of the detrimental effects that certain environmental and special interest groups can have on the use and enjoyment of wilderness areas. Members of these groups seem to establish pictures in their minds of polluted streams, dying wildlife, overcrowded areas, etc. without first hand knowledge of or contact with the areas involved. Have they seen the beauty of regrowth from a 10-year old clearcut? Do they realize that elk, deer, and bear thrive on the flora produced by clearcutting and subsequent burning? Are they aware of the comeback of reforestation that the logging industry has made following decades of simple "cut and sell" procedures? The evidence is there if interested individuals are willing to examine it!

I urge you, Senator McClure, to take a close look at the motives and facts that are behind each side of these environmental arguments. If you feel you are still a lacking in your personal observations of the matters involved, I strongly encourage you to get out and observe different timberland areas involved in these debates. Believe me, I am well aware that reports and figures are no substitute for personal observation!

LETTER FROM LARRY D. COONTS, MANAGER, IDAHO FIRST

A [illegible] 5, 1986

Senator James A. McClure
Senate Appropriations Subcommittee

Dear Senator McClure,

My purpose in writing is to express what I believe is a growing problem in Clearwater County. You are well aware of our timber based economy problems, but I want to make sure you understand that every business and their employees in this County is having some financial difficulty. No one seems to be exempt including us. We need help from the forest service in allowing more timber to be harvested. I believe the forest service needs to look closer at their needs analysis with respect to the stability of the local economy. I am sure their directive from the governing code indicates they have to take our economy into consideration, but they must need to change since we seem to be slowly dieing.

Senator McClure, we need to have you ask the Forest Service to give us more consideration, it is vital to us all.

We appreciate all your help in the past.

Thanks for listening,

Larry D. Coonts
Manager

STATEMENT OF THE BOARD OF NEZ PERCE COUNTY COMMISSIONERS

Mr. Chairman, we want to thank you for the opportunity to comment on the National Forest plans and their importance to timber-dependent communities.

As you're well aware, the basic industries of the state of Idaho - agriculture, forest products and mining, have for the past few years, suffered from very depressed market conditions. Nez Perce County has been no exception and we've seen the results of layoffs in the forest products industry and watched our agriculture industry suffer a severe economic recession.

The problem of funding education and essential local services has become extremely difficult in this economic environment. This leads us to believe that the most important issue in Idaho and Nez Perce County is that of improving the economic environment for our basic industries while striving for economic diversity and the creation of new jobs.

A review of the draft National Forest plans in Idaho leads one to believe that their implementation would lead to a shortage of raw materials for the forest products industry. According to figures we have seen, the Clearwater National Forest is capable of growing 326 million board feet of timber annually and yet the proposed plan calls for harvesting less than 50 percent of that amount. At a time when our state and region so desperately needs economic development, it would appear that the U.S. Forest Service is not fulfilling their responsibility to preserve and enhance local economies.

From all indications, private timberlands have been over-harvested for some years and cannot sustain their current level of harvest. With two-thirds of the commercial forestland in the state, the national forests represent the only hope of supporting the forest products industry at its current capacity.

Potlatch Corporation is the largest single business entity in Nez Perce County and while they have substantial private timberland, we know that their future operations will depend to a significant degree on national forest timber. As Commissioners of Nez Perce County, it is our responsibility to preserve jobs for our constituents. If the forest industry is hurt, the taxpayers of Nez Perce County will suffer.

We view implementation of the draft Clearwater National Forest plan as a potential threat to the forest products industry in Nez Perce County. For that reason we would urge you and your committee to direct the Forest Service to re-evaluate their plans. Encourage them to evaluate the supply and demand for timber in this area including all sources of timer - private, state and federal lands. If they identify a shortage of timber for the planning period, they must be required to increase their timber harvest to more properly reflect their productive capabilities.

Thank you for allowing us the opportunity to comment on this very important issue.

Statement of Tony Tabert

As I happened to be out of town on the day the Forest Planning hearings were held, I did not get the gist first hand. I do read the papers, and if what they published was fact, then I'm not too surprised of what I read. As this was an open hearing (at least in a sense), "all those in favor of throwing our timber resources open to all takers, say 'aye'. The 'ayes' have it." That's because only the 'ayes' were allowed to speak. As I read it, there was no consideration given to multiple-use such as stream protection, wildlife habitat and most of all, water quality. When mountain tops and steep slopes are clear-cut, it leaves nothing to hold the snow or rain, thus we are affected with rapid run-off and the sedimentation of our streams and lakes which in turn destroys the fisheries.

You blasted the environmentalists. You also didn't give them an opportunity to explain their side of the issue. There are many more issues to be concerned about than just the timber issue. Even environmentalists know we need jobs - there are many who work in the timber industry, believe it or not!

Times are changing and so will the work place. I can remember when there were as many as a hundred men working in one logging camp - I was there. Today two men and chain saw will saw and buck more logs in one day than ten men did in a week. Mills are upgrading their operations, one man does the job of ten of years gone by.

You three representatives of the people of Idaho are living in a dream world of the past. The timber industry will not be the prime sustainer of Idaho's economy in the future. It is changing and you are asleep at the post. In my sixteen years in Idaho, I have watched the changes take place. If you haven't noticed them, it is because you are hung up on one issue....cut down more trees and to hell with everything else. You do not represent the State of Idaho fairly.

We invite you to attend some of the meetings on environmental issues, we are not the extremists that you claim us to be. We are concerned about what takes place in our forests and how they are managed. Timber sales should be cost-effective or the timber left standing. Next time, PLEASE invite some of our people to your meetings. You just might like what they say.

Statement of Erik Fisher, Boise, ID

(1)There are those who, for reasons of personal gain or conservative political philosophy, continue to push for consumptive-use emphasis in the management of our national forests. This continues to require a perspectivizing counter-emphasis on nonconsumptive-uses like wildlife, watershed and recreation,in an effort to restore an appropriate multiple-use balance. Nonconsumptive-uses provide clear non-economic benefits -- and clear economic benefits; it is well-known that tourism, outdoor recreation and outfitting and guiding are growth industries in Idaho. National Forest budgets should have funding cut from road-building for logging and have funds restored to the crippled items like recreation, trails, and fish and wildlife.

(2) All this is to say that the role of a consumptive-use like timber should not jeopardize the other clear public values of National Forests, and, as an economic enterprise,be legitimate economically. Economic legitimacy means that actual

timber volumes should be a function of market demand, not of wishful supply-side thinking. Economic legitimacy also means that the enormous subsidy that the Federal Government provides should be reduced.

(3) The defense of government subsidy of the timber industry is a concept called Community Stability. This concept is specious economically; the decline in timber-related jobs in Idaho in the last 6 years has been independent of timber supply and despite the subsidy. This concept is also a political ploy; the stability of many farming and industrial towns has been eroded by economic forces without this concept having been invoked -- but the timber industry is well organized and has political allies. It must be remembered that the purpose of having National Forests is not the economic benefits they can render to nearby communities but the values that they provide to the greater national public interest. Granting local community benefit as a secondary product of a National Forest, the concept of Community Stability should be applied not only to timber towns but to recreation towns like Ketchum, McCall and Riggins.

(4) Thus, the review of the impact of The National Forest Plans on local towns should have only a very limited influence on the plans per se -- but at the same time should include a cumulative review of the plans on wildlife and recreation.

STATEMENT OF TOM MENTEN, PH.D., BOISE, ID

As you know, there is considerable cynicism about the hearings you recently sponsored in Idaho timber towns for invited speakers only. The meetings have largely been boycotted or ignored by everyone, on all sides of the issues, that wasn't specifically invited to attend. I was one of fewer than half a dozen of the uninvited public who chose to attend the hearings in Emmett.

The hearings have largely been assumed to be a staged political event to help the troubled Republican ticket. They certainly appeared that way as I watched them. However, you did invite public testimony, so I am offering my view of the issues you discussed.

POINT 1.
The views evidenced by yourself and Representative Craig seem to be very short term. Do you have no long term interest in the State or the Country? The views evidenced by your hearing remarks were "buy now, pay later"; with a misplaced trust in unproven methods to bail us out. Is this the new "conservatism"? Reckless is a better description!

POINT 2.
Representative Craig took considerable offense at the (undeniable) suggestion that Idaho timber is subsidized. Why so sensitive: is it because we have accused the Canadians of subsidy?

In comparing timber subsidies to "subsidy" of nonextractive forest uses, representative Craig misses a very large point; there is little or no incremental cost to the government if a hiker uses the forest. There is very considerable cost when we log our forest, remove habitat and silt our streams. Why must we pay tax dollars to degrade our environment? Is that the purpose of government? Is THIS the meaning of conservatism?

POINT 3.
We cannot continue to log at historical levels without permanently degrading our last remaining wild areas. Testimony of your own invited friends pointed out that logs coming out of the forest are of continually smaller size.

You propose to log at an INCREASED level on land that is of MARGINAL TIMBER VALUE.

Are you nuts? We've already taken the best timber lands long ago. What remains to be ravaged is of marginal timber value now and probably always will be. If we can't harvest economically with the big logs, how are we going to do it with the marginal, steep, remote and highly erosive lands that are left? There is better timber land almost anywhere in the country. Why not recognize the true value of these lands; must they be commercial timber land to be of any value to us? Does today's conservatism mean "use it or lose it?"

In a state crying for education funding and reform, you SHAMELESSLY make a funding issue where there is none. Timber receipts are an exceedingly small portion of the state education funding and even their total loss would make little difference to the state's educational well being. If you are seriously concerned about funding for education in the state, you can do considerably better than to throw crumbs from the Forest Service budget. Is funding of education by way of the Forest Service the conservative's way of reducing governmental complexity?

POINT 5.
"Economic Stability" is a concept you choose to use selectively as it seems convenient. Only in a very narrow and very short term sense does the Forest Service have any say in community stability. Community GROWTH should not be a Forest Service mandate. Artificially increasing harvest levels produces community INSTABILITY. I certainly do not recognize the conservative point of view in that strategy.

In short, something very wrong has infiltrated the Idaho brand of legislative conservatism. I do not feel that you, or Senator Symms or Representative Craig is representing my interests in the public lands. Recent public opinion polls in Idaho make it clear that you are not representing the people of Idaho on these matters.

WHO, SIR, ARE YOU REPRESENTING?

STATEMENT OF SHARON F. BARNETT, OROFINO, ID

I am asking that my written statement be included in the written testimonies for the hearings on the Clearwater National Forest Plan.

Being a resident of Clearwater County for 26 years plus my husband and I being in the logging business for 26 years, we feel it very important to our county and state that the Clearwater National Forest release more timber production into their plan.

Our logging company was geared to handle 25 million board feet of timber per year but in 1985 we were asked to handle only 5 million board feet per year. This is a drop to 1/5 production. This caused us to sell equipment down to a much smaller scale. Of course, we had to let the majority of our employees go and they had to find other jobs. Many moved away. We now employ 7 men. Quite a change!!

Following this down the line, it brought less monies to the community, county, state and federal government. Many logging companies have had to change. To illustrate please consider these figures and what is happening to Clearwater County and our communities. The Forest Reserve Funds to Clearwater County in the last three years:

1983	Clearwater County Received	$655,931.56
1984	Clearwater County Received	$262,210.00
1985	Clearwater County Received	$117,585.10

Notice the drop in the enrollment of students in the Clearwater County school system:

1981-82	2131	students enrolled
1982-83	2098	" "
1983-84	2046	" "
1984-85	1990	" "
1985-86	1909	" "

Three mills have closed in our area in the last three years. The reason for closing in lack of timber production available. It all leads to a very sad picture for us all.

Humans are the worlds greatest resource, trees are another of the wonderful resources. We must learn to cultivate them and care for them. Not lock them up.

Thank you for all of the long hours and hard work you have put into this effort of saving our timber industry in the State of Idaho.

Statement of David J. Dudley, Ola, ID

As a taxpaying citizen of the Gem State I would like to offer the following comments on the forest planning process and the effects those plans will have on Idahos economy.

First I would like to point out that the timber industry is only one facet of our economy, and one that is likly to make up a smaller portion of our economy as time goes by. It is foolish to try and support an industry with subsidies in the form of below cost timber sales where the costs of selling trees exceeds the revenue generated by the sales. Idahos timber industries problems are due to a lack of demand not supply. Studies indicate that over 2 billion board feet of lumber are standing uncut even though they have been sold and in the past six years the Forest Service has not even sold all the lumber it has offered for sale. With this in mind it seems only logical to leave more forest land in an unharvested, unroaded, undeveloped condition. We could save 16 million dollars a year just by stopping below cost timber sales.

I would also point out that Idahos growth industries are tourism, recreation and guiding and outfitting and are directly dependent on our unspoiled forest lands. People come to Idaho to see the scenic beauty, to hike in our forests and to fish or float our clear wild streams. They do not come to Idaho to see clearcuts,or fish silted streams.

For this reason I believe that the Forest Service should do cumulative impact studies of forest plans. Increased logging could only result in negative impacts on guiding, tourism, sport fishing, and salmon and steelhead restoration.

The Forest Service has lost sight of its original goals and multiple use has become a farce. While budgets for road building and timber harvest have increased all other budgets have decreased. It is time the "other" uses such as wildlife, fisheries, trails, recreation and even fire got their share of the monies. It is time for the Federal Forest Lands to be managed in the bests intrests of the people of the state and nation and not just the timber industry.

In summery I would simply say that an equal consideration in forest service appropriations must be given to resourses other than timber. Idaho has a unique oppurtunity to save waht most of the other states have already lost. Astime goes by more and more people will travel to Idaho to see our unique wildlands, to float our legendary rivers to fish for our world famous trout and steelhead and to spend money in this state that badly needs the revenue. Our farsighted planing now will be much appreciated by the future generations of all Americans.

Statement of Jeanne Donley, Chairman, Clearwater Chapter, Idaho Women in Timber

Mr. Chairman and Members of the Committee, I thank you for the opportunity to comment in regards to the Clearwater National Forest Plan and its economic impact to the community that I live, work and play.

I am Jeanne Donley, a wife, mother of two school age children, taxpayer, Chairman of Clearwater Chapter Idaho Women In Timber, Realtor, and Secretary of Clearwater County Board of Realtors.

I make my home in Orofino, Idaho, Clearwater County. My husband, Chet is a logger, and our income is dirived from the Timber Industry.

We are desperately concerned in the dwindling supply of timber causing loss of jobs and revenue for our schools, county roads, survival of mills, the bottom line is community stability.

Looking back over the past five years with our County Treasurer, we found these figures; in 1980 School District 171 received $423,790,00 from the Forest Funds, in 1984 $262,210.00, in 1985 $117,585.10 - a 55% loss in one year!

Money is not the only loss, School District 171 is feeling drastic enrollment declines:

'81-82 2,131 students, '82-83 - 2,098 students, '83'-84 - 2,046 students
'84-85 1,990 sudents and '85-86 - 1,909 students .

The enrollment drop is due of course to employment loss. Figures I received from Potlatch's Clearwater Woodland Unit are:

In January of 1984 they employed 296 workers, 38 of whom were salaried.

As of July of 1986, they employ only 179 , 30 of whom are salaried.

In the late 1970's they employed 32 contractors , at present they employ 16.

Due to mill closures, less production is needed.

We feel threatened, my family doesn't want to change our lifestyle and leave our home. I went into the Real Estate business in hopes of developing a cushion or alternate income in the event there are any further cutbacks im my spouce's profession.

I have witnessed and felt the hurts of clients who have suffered devastating blows when being forced to take huge losses in the sale of real property. While it is true that interest rates are reduced, the only sales made this past year in our immediate area are distress sales. When qualifying a house for Government financing you are required to have a fee appraisal. These appraisals need comparable sales to indicate exactly where the market is. These comparables are recent sales within the past 12 months, again I remind you "Distress Sales". One sale made in April of this year was assessed by the County for tax purposes at $57,449.00. It appraised for $42,000.00. The lending Institutions will not loan a nickel above appraisal! As people are losing jobs and being forced to leave the area, they also are being forced to accept the first offer that comes along to enable them to try and make a new start.

In recent years Clearwater County have promoted tourism, which is a valuable source of income, but the tourism industry will not, however; be able to replace the declining amount of timber dollars being generated. Within the past three years, three real estate firms closed their doors permanently and this past year we lost two clothing stores.

I strongly endorse multiple use and managemnt for all the resources, Wilderness included. My family are concerned for the welfare of those earning their living in the timber industry. We feel very strongly that with proper forest management we can both enjoy a healthy economy and a quality forest and wildlife environment in our State.

STATEMENT OF DON L. CRAWFORD, MOSCOW, ID

As the person who arranged for the conservationist witnesses to speak at the August 21, 1986, Coeur d'Alene, Idaho hearing on forest planning, I worked with your staff even though I have great reservations about your motives in calling these short notice invitation-only hearings. I was especially disturbed by the attitude of your aide Karl Haywood, who arrogantly refused to even consider my simple request to allow five individuals instead of four to testify within the time you allocated to conservationists. This reinforces my belief that your real desire was to build a predetermined hearing record that can be used to force your own views on the Forest Service. I am disappointed that an Idaho Senator would use his position in this way.

In that I was not able to testify, I hereby submit my written testimony for the record. I have reached the following conclusions about the hearings, and I believe they are similar to those of most Idahoans.

First, your invitation-only format was by design so that you could stack the hearing with industry and pro development witnesses. You know from past history that when all Idahoans are given an equal chance to make their opinions known, most oppose your extremist exploitive philosophy. You will use the results of these hearings to justify your views and to ignore the tremendous amount of public review and comment that has already gone into development of the forest plans. You will use the stacked hearing record in an attempt to justify increased timber harvest and roadbuilding at the expense of other resources. This action is coordinated with your efforts within the Senate this year to add $75 million dollars to the Forest Service roadbuilding budget with the money to be directed towards the roading of roadless areas. Luckily, you lost the key vote on the appropriation inside of your own appropriations subcommittee.

Second, these hearings are timed to attempt to aid Steve Symms in his reelection campaign. They provide a public forum for you, Larry Craig, and Steve Symms to spread fear about lost jobs due to "locking up" roadless areas. It is no wonder that you will not allow this hearng to be open and nonpartisan. I notice that you conveniently left out Congressman Stallings, who after all is an elected U.S. Representative from the state of Idaho.

Third, you are using these hearings to blame environmentalists for your own failure to help Idaho's depressed economy. You will therefore ignore the fact that tourism, recreation, and outfitting comprise a billion dollar business in Idaho that is bigger than the timber and mining industries combined. You will not mention that the real trouble with Idaho's timber industry is lack of demand, not lack of timber. Indeed, sold but uncut timber in Idaho now equals 2.1 billion board feet. You will fail to mention this fact. You will also fail to mention that the forest plans being considered in these hearings already propose allowable cuts in excess of average volumes harvested between 1979 and 1984.

Your hearings are in summary a one-sided attempt to politically interfere with the forest planning process. They are an attempt to overide and ignore the large amount of public input that has already taken place (because that public comment does not suit your exploitive goals). Frankly, I am dismayed that you, Steve Symms, and Larry Craig, as Idahoans yoursevles, so blindly seek to exploit Idaho's extractive resources at the expense of its more valuable resources (watersheds, fisheries, wildlife, and recreation). I am dismayed also that your shortsightedness prevents you from addressing Idaho's real longterm economic problems which revolve around a need to diversify our industry while we promote our quality of life and conserve our priceless resources. It is clear that we need leaders with more vision than you.

LETTER FROM LINDA BERGERSON

AUGUST 27, 1986.

DEAR SENATOR MCCLURE: What did the Senate Appropriations Subcommittee on Interior and Related Agencies expect to achieve by holding invitation-only hearings in Coeur d'Alene, Emmett and Grangeville? They may have heard more sob stories from the vanishing timber industry but they certainly did not get a balanced view of the Idaho economy.

Timber has too long been the business of the Forest Service. The principle of multiple use has been set aside as timber and road building budgets are increased and budgets for fish and wildlife, recreation and trails has been cut. How can the Forest Service continue to sell timber when we taxpayers subsidize the timber companies with an average of $16 million in Idaho alone. This is unfair to other Idaho business. When is it going to stop? Market conditions have resulted in less demand and some mill closures. When will a cut in allowable timber sales reflect this reality?

Our forested lands are worth more in their undeveloped condition. Why don't you hold hearings in recreation dependent communities? They will tell you that we need protection of our forests, and with them wildlife and water quality, to support this increasingly important segment of Idaho's economy. According to the Idaho Travel Council, Idaho attracts over four million visitors per year, generating over one billion dollars for Idaho—more than timber harvest and mining combined! Tourism, recreation, outfitting and guiding are Idaho's growth industries. When are you going to start supporting them?

Sincerely,

LINDA BERGERSON.

LETTER FROM KEITH AND MARGARET KEENER

SEPTEMBER 1, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: We are writing concerning the effort to increase timber sales in Idaho.

We feel multiple use for our forests is of utmost importance for we need to expand recreation, tourism, hunting, fishing, restoring our salmon and steelhead fisheries, working for clear water and in all keeping and improving our quality of life.

An average subsidy of 16 million for Idaho, below cost sales of timber is a disgrace.

Idaho's outdoor wonder's must be saved for the growing National interest in tourism. Only then will our economy flourish.

Sincerely,

KEITH AND MARGARET KEENER.

LETTER FROM CAROL WHITTAKER

LEADORE, ID, *August 25, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: I have found it difficult to understand the partiality to the timber industry over other industries and values in Idaho. It seems so little concern is given to the effects and detriment of commercial logging and roading on other industries and potential industries especially in areas such as this where trees are so scarce and difficult to grow and so essential to the other values.

Also, it seems funds could better be utilized for building and improving our state's highways and reducing our gasoline tax rather than covering the mountains with unwanted and little used roads which are a detriment to wildlife habitat, livestock and the solitude and esthetic values.

Since the 1960's we have seen values and uses destroyed that can never be restored. It seems to me that in so many cases excess logging, bulldozing the fires are killing the golden goose for all industries and have been a detriment to the values which we live here and for which others visit our beautiful state.

We do hope that you can help restore balance to the uses of our states natural resources. Thank you so very much.

Yours truly,

MRS. CAROL WHITTAKER.

LETTER FROM MRS. JOHN NELSON POMEROY

AUGUST 22, 1986.

DEAR SENATOR McCLURE: As a part-time resident of Idaho I feel compelled to write regarding forest planning for this beautiful but endangered State. Far beyond any timber sales must be consideration for tourism and recreation and wildlife restoration. The timber sales should only be as is the demand and reflect market conditions. These other resources in Idaho surely are as important—and I believe more important for preserving Idaho's future beauty. Below-cost timber sales are ridiculous!

Please help keep the right balance in forest planning. Thank you.

Very truly yours,

MRS. J.N. POMEROY.

LETTER FROM LINDA OSBURN

DEAR SENATOR McCLURE: Please help the timber industry obtain the necessary timber for our jobs in Idaho. This is a major source of jobs for Idaho People. We need more national forest sales.

My husband is employed at the Lewiston Pulp and paper mill, also two brother inlaws in the Lewiston Saw Mill. Our timber industry needs all the help we can from Federal timber sales.

Sincerely,

LINDA OSBURN.

LETTER FROM KATHRYN W. CRUICE

DEAR SENATOR McCLURE: It is my understanding that hearings will be conducted this week on the forest planning process for Idaho. My husband and I have been coming to Idaho for 14 consecutive years and we just recently purchased a vacation home there. To us, the great wilderness of Idaho is most precious indeed and therefore we are concerned about any further increases in timbering the forests.

Number one on my mind is the fact that more timbering just doesn't make economical or ecological sense. The cost of building roads for timbering, etc. are *greater* than the revenue from the timbering-not to mention how it destroys the delicate wildlife and ecological balance. Plus the demand for timber is not increasing.

Plus there are other, larger and more profitable resources in Idaho which should be given equal if not greater attention. As you must know, Idaho attracts over four million visitors per year generally over one billion dollars for Idaho—more than timber harvest and mining combined. They don't come there to see the forest stripped and fewer animals, they come to fish, hike, sightsee, hunt and raft because it is one of the very few places where such majestic, unspoiled areas exist.

Outfitters and guides may lose their jobs if timber harvests are increased. Salmon and steelhead restoration could give tremendous boosts to many Idaho communities, what I'm saying is *equal* consideration in forest. Service appropriations must be given to resources other than timber. The FS should do studies on the impact of recreation, and outfitting and guiding—they are just as important to the future of Idaho—in my mind—they are more important.

Please bear these things in mind when you're conducting your hearing and to all future policy.

Thank you for taking the time to read my letter.

Sincerely,

KATHRYN W. CRUICE.

LETTER FROM JIM BRITTON

AUGUST 25, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR: I am writing you at this time to let you know my views on the national forest issues facing the people and wildlife of Idaho.

For years now I have been very upset over "below cost timber sales." At a time when the Fed government needs all the dollars they can assemble the Forest Service is throwing them away. I am sick and tired of politicians coddling big business. And worse yet when it is done under the phony guise of saving industry jobs.

These jobs would be safe for generations if there were a consistent demand for forest products year in and year out. Thus the problems facing the timber industry is not a lack of supply but a lack of demand. It is time for government policy on all forests reflect the conditions in the market place and be responsive to the real demand for lumber.

It seems to me that it is time to recognize other important economic considerations in Idaho. We have a tremendous tourist industry here. Millions of people come to Idaho because this State is the most like what the West used to be like. Sober forest management can supply both timber and provide recreational experiences. If this becomes reality then we will have lived up to the slogan on the National Forest sign that says "land of many uses."

In summation I conclude that responsible management will protect both the forests and the jobs. But for this to happen there must be an end to below cost timber sales and the Forest Service must realize the real demand for the products of the forest. Cutting of timber exceeding the demand will hasten the destruction of land and water necessary for our tourism industry.

Please be prudent and see the need for running the middle of the road. Thank you for receiving my letter.

Sincerely,

JIM BRITTON.

LETTER FROM MARK KELLER

AUGUST 24, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

SENATOR MCCLURE: While you consider the economic impacts of the National Forest Plans in Idaho, consider the phenomenal economics of the anadromous fishery in Idaho.

The economic benefits of these fish are realized by many many people. The ocean fishery benefits from the Salmon and Steelhead originating in our National Forests. The returning fish provide a very valuable sport fishing industry in the Columbia and Snake-Salmon Rivers. The Clearwater River has a very valuable steelhead run. As the steelhead run goes so goes the commerce of Orofino.

We cannot be totally dependent on hatchery production of these fish. Dworshak hatchery has seen up to 90% mortality of its steelhead smolts due to IHN. The IHN virus is there again this year.

We must do all we can to conserve the wild anadromous fish. These hardy long-traveling strains are unique to Idaho and must be preserved.

Development should not be allowed which would diminish the wild anadromous fishery and the great economic benefits derived from that fishery.

Another economic consideration of the National Forest Plans is the impact they will have on tourism in Idaho.

The tourism, recreation, and outfitting industries are very important parts of Idaho's economy. People do not come up to Idaho to view clearcuts or to fish biologically wrecked streams!

Respectfully submitted.

MARK KELLER.

Letter From E.H. Nettleton

August 25, 1986.

Hon. James A. McClure,
Interior Appropriations Subcommittee,
Washington, DC.

Dear Jim: I feel it is my privilege and duty to submit some of the facts as I see them in regards to the U.S. Forest Service land management decisions and policy's.

Most of today's Forest Service well paid Rangers, and so called expertise personnel environmentalist (etc!) are *not* doing a good job.

Too many of these people are not willing to properly manage our God given resources simply because they refuse to take advantage of our past experienced Rangers and Forest Supervisor's such as Mr. Ray Hilding just to mention one of a good many that have did good job in the past. These men retired and or dead used past experience plus years of their own experience to do a good practical job of managing our Forest and resources. Nothing I repeat. Nothing takes the place of experience.

I worked with a good many of those people. 1930 to 1940 building access roads, telephone lines, fire lookout stations, planting trees, removing over mature, diseased, and dead timber, fighting Forest fires (etc!) in general doing I think a good practical job of managing our Forests. Which in turn supplied jobs and lively hood for Citizen of the U.S.A. which certainly supported the over all economy.

Today and for the past 30 or 40 years we have been plagued with to many so called engineers, conservationists (etc!) These persons who claim to be experts, put in most of their time sitting in an air conditioned offices and or going to meeting's where the vocal minority groups such as the Sierra Club, auto ban society, friends of the earth and so called conservationist, seem to be successful in brain washing them. Not all of the government Pd. personel are guilty, but it does seem that the majority are guilty.

Let me be specific; most of the Forest Rangers and specialists today say if a lightning caused fire starts in our wilderness areas such as the one that started in late June 1986 in the Center of Idaho, we should let it burn? now at this date Aug. 24, 1986 it has burnt thousands of acres of land. If lightning strikes our house or barn or a tree in our wood lot are we supposed to let it burn?? Let's not be ridiculous.

We the taxpaying citizens can not continue to put up with this type of mismanagement. I have hunted & killed deer and fished in Alabama and Mississippi where there is an abundance of fish and game. Why, because it is properly managed. There is an abundance of Elk in North Idaho 60 years ago there were practically none, why because it has been managed. Just recently the report came out that there are more steelhead salmon coming up the rivers of Central Idaho than they have ever recorded. Why because it is being managed. This is certainly helping the economy of the U.S.A. Last but certainly not the least we the citizens of Idaho, Washington, Alaska, Oregon, Montana, Northern Calif. and the rest of the Western states are effected the most by mismanagement of our wilderness's and forest's and our economy continues to suffer.

We definitely should not let the Citizens of Ohio, New York, Massachusetts, or D.C. dictate or set policy for our Western States that will continue to hurt our economy.

Our farmers do not grow wheat, barley, corn or potatoes, to let them burn up or go to waste, via insects, disease, (etc!) The answer is proper management. Utilization is true conservation. We the citizens of this great U.S.A. can not afford to continue to mismanage our wilderness and natural renewable resources. Thank you a Retired Forester.

E.H. Nettleton.

Letter From Katherine M. Batey

August 24, 1986.

Dear Senator McClure: There is much more to concern us Idahoans regarding our national forests than timber harvest. Timber, of course, is important in our economy. But more important is (1) our quality of life which is unique when compared with other areas, (2) our receation and tourism, (3) our salmon and steelhead fisheries which need to be restored, and (4) our clean water which needs our concerned attention if it is to stay clean.

The problems with Idaho's timber industry is not a lack of supply but a lack of demand, the timber industry wants more timber cut in spite of this with the result of such cutting being potential resource destruction. I would urge that allowable timber sales in all Idaho forest reflect actual demand and market conditions.

I would urge that you study not just timber communities but recreation, out fitting and guiding restoration of fisheries, protecting lakes and streams and wildlife habitat. Then Idaho's other resources will have a chance. Such a balance of concerns will keep Idaho the unique state that it is.

Sincerely,

KATHERINE M. BATEY.

LETTER FROM RUTH WATKINS, PRESIDENT, PANHANDLE ENVIRONMENTAL LEAGUE

AUGUST 23, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: Like you, I am very concerned about Idaho's future. That is why I'm writing to you regarding your current examination of our national forest plans and their efforts on timber dependent communities.

Timber is an important part of Idaho's economy, but I believe it's time to pursue true multiple use of the forests. Forest management plans that are locked in by a "timber-first" philosophy will not promote a heathly, well-rounded economy for our state's future. Other important factors to consider are recreation, tourism, hunting, fishing and the protection of the resources that support these "industries."

In a timber-first plan, other considerations become secondary: what happens to protection of our water quality? What happens to the restoration of our salmon and steelhead fisheries? What happens to fragile fishing streams and big game habitat? What are the effects of increased timber harvests on communities dependent upon recreation and tourism?

Since government is willing to do an analysis of the forest plans' effects on timber dependent communities, I think it should not be a lopsided analysis. I think cumulative impact studies should also be done on the plans' effects on recreation and tourism dependent communities as well.

Idaho attracts over 4 million visitors per year, generating over $1 billion for Idaho—more than timber and mining combined. Therefore the resources for which the success of this tourism industry depends, must be protected.

Have you considered that Idaho offers a unique experience that other states must envy? The fishermen, hunter, hiker, naturalist, recreationalist, or sightseer, all have wonderful reasons for coming here, and the dollars left behind by these visitors have a huge impact on our economy. This is a growing industry, with no lack of demand, quite unlike the problems facing the timber industry. (The amount of timber in Idaho national forests that has been sold by the Forest Service but remains uncut due to lack of demand is over 2.1 billion board feet.)

I urge you to consider our growth industries, and our resource protection priorities. Protecting our environment and our high quality of life makes good economic sense. As time goes by, it appears that the timber-first philosophy does not.

Thank you for your attention.

Sincerely,

RUTH WATKINS,
President,
Panhandle Environmental League.

LETTER FROM JEANETTE GERMAIN

AUGUST 23, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

SENATOR MCCLURE: I was unable to attend your recent forest planning hearings in Idaho. Will you please accept this letter for the hearing record.

I object to "below-cost" timber sales in Idaho's forests. The government should *not* be subsidizing new roads into areas where the timber harvest cannot compete on the open market. If the timber is not in enough demand to justify harvest, it shouldn't be cut.

Especially when Idaho's forests, mountains, lakes, and streams are in such demand by the recreation and tourism industry. As you consider the timber industry, you must also consider Idaho's strongest growth industry.

Thank you,

JEANETTE GERMAIN.

LETTER FROM ANN B. STEVENS

AUGUST 22, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Committee,
Washington, DC.

DEAR SENATOR MCCLURE: I understand that you are holding hearings on the draft forest plans for forests in Idaho. I am a former resident of Idaho and I still own forest land there.

Because the timber industry has not even harvested nearly the trees already offered for sale in Idaho's national forest, I cannot see any reason for increasing the timber offered for sale. I oppose any timber sales that have to be subsidized to make them saleable. In this time of large deficits, I see no justification for subsidizing sales.

Tourism is bringing greater income to Idaho than timber cutting or mining. Tourists, like myself, return to Idaho to raft, to hike, to vacation at the lakes. I, like many others, go to Idaho because of its unspoiled scenic beauty, camping and fishing. Let's see that these resources are saved to continue to bring income for decades to come, rather than the short term gain (or loss) of timber cutting.

Sincerely,

ANN B. STEVENS.

LETTER FROM DOLORES G. HILL

AUGUST 20, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Committee,
Washington, DC.

DEAR SENATOR MCCLURE: Recreation, tourism and outfitting are as important to Idaho as the timber industry. There are many recreation dependent communities in Idaho. The Forest Service should do cumulative impact studies of effects on such communities as well as timber communities. Consideration should be given to resources other than timber.

I'm tired of paying a subsidy to lumber companies by selling timber below cost. The land is more valuable with the trees on it.

Sincerely,

DOLORES G. HILL.

LETTER FROM ELISE LUFKIN

AUGUST 20, 1986.

HONORABLE SENATOR MCCLURE: I strongly object to the "timber-first" attitude expressed in the handling of the draft forest plans for Idaho national forests. Below-cost timber sales are already sapping our state's financial resources. There is absolutely no reason that taxpayers should support a dieing industry. I am tired of an average subsidy of over $16 million dollars for Idaho below-cost sales. Tourism recreation, and outfitting and guiding are Idaho's growth industries. Every year they generate over one billion dollars a year for Idaho, more than mining and logging combined. People do not come to Idaho to see clear cut hillsides and fish in silted streams, the aftermath of logging.

Why this great concern for timber dependent communities? There are many, many recreation dependent communities in Idaho as well. The Forest Service should do cumulative impact studies for forest plan effects on recreation, outfiting and guiding salmon and steelhead restoration and other issues. These are the issues that Idaho's future is based on.

I live in Idaho, base my business in Idaho, pay taxes and vote here, because I love the State, for its beauty and it's recreational opportunities. These aspects must not be cast aside for the sake of the timber lobby.

Sincerely.

ELISE LUFKIN.

LETTER FROM GEORGE WILL

AUGUST 19, 1986.

Re National Forest planning hearings.

DEAR SENATOR JAMES MCCLURE: I want to express my sentiments regarding our forests and the lumber industry in our state. I am not anti-timber, indeed I am pro industry in Idaho in so for as it is a viable industry which does not require artificial price supports and subsidies. I am pro industries such as tourism, hunting/fishing, guiding, and outdoor recreation in general. Unfortunately much of lumbering destroys our streams and forests. I have seen this for myself.

I genuinely feel for those who make their living from this business that is so market poor. Maybe, like the miners, they should get re-training and into a more secure occupation. At least guide the young from entering into a field that is directly opposed to supply and demand and the free enterprise system.

Please fight for the growing tourist and recreation industry and not for a destructive and false business that does more harm than good.

I am a sportsman and lover of outdoor Idaho. Please do what you can to preserve our natural and beautiful state.

Sincerely,

GEORGE WILL.

LETTER FROM DAVE PROUTY

AUGUST 19, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: I am strongly opposed to increased timber development on federal lands in Idaho. The current demand for timber is weak, the timber industry has harvested significantly less than the timber volume already sold (I've been told that this excess is over 2 billion board feet). In addition even the timber that is being harvested is subsidized for an average amount of $16 million dollars a year. I would much rather see the money used to support Idaho's growth industries such as tourism or electronics. The opportunity to increase our expose to tourism seems far less destructive to both the land and future of Idaho's citizens than the continued support for a marginally profitable, non-growing, environmentally destructive industry.

Sincerely,

DAVE PROUTY.

LETTER FROM PAMELA KELLER

AUGUST 19, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR: I would like to comment on the hearings held in Idaho this month on the State's forest plans and their possible effects on so-called "timber-dependent" communities.

I have lived in such a community, Orofino, for six years and believe me, I care about its future. I feel certain that the best management course for the Clearwater National Forest to take would be to de-emphasize timber production which is not profitable and too destructive of the forest's resources. Increased allowable cuts will not help the timber industry here.

Other industries, however, such as tourism, recreation and outfitting/guide services would benefit from a change in management direction toward protection of our natural resources. These are Idaho's growth industries. It would be a tragic mistake to limit Idaho's future by continuing to irreparably damage our resource base. If the Forest Service is to be required to do impact studies of forest plan effects on "timber communities", then it should also have to do impact studies on how the plans will affect recreation, water quality, outfitting fisheries restoration, etc. and the communities dependent on those forest outputs.

Sincerely,

PAMELA KELLER.

LETTER FROM DORTHA ULTICAN

BOISE, ID, *August 17, 1986.*

Hon. JAMES MCCLURE,
U.S. Senate,
Washington, DC.

DEAR SIR: Because I am concerned over the future of Idaho I urge you to:

Give equal consideration to other industries, such as tourism, recreation and outfitting and guiding, rather than concentrating on the timber harvest.

Tourism brought more money to Idaho in one year than timber and mining combined. I am tired of the average subsidy of $16 million for Idaho below-cost sales of timber. The allowable timber sales on all Idaho forests should not be increased, but rather reflect actual market conditions and demand. Presently, the problems with Idaho's timber industry is from the lack of demand and not a lack of supply.

The Forest Service should do cumulative impact studies of forest plan effects on recreation, outfitting and guiding, salmon and steelhead restoration, and other issues important to keeping a balanced future for Idaho.

Mrs. DORTHA ULTICAN.

LETTER FROM CALVIN OSBORN

BOISE, ID, *August 17, 1986.*

DEAR SENATOR MCCLURE: I belong to the Idaho Conservation League and being a conservationist am concerned about the Forest Plan.

We all realize once its wilderness is gone it is gone forever and in our over populated world this is such a precious asset to destroy.

As my representative please consider on the side of recreation, pristine beauty, hunting and fishing rather than on strictly money and lumber interests!

Sincerely yours,

CALVIN OSBORN.

LETTER FROM DON MILLEN

YELLOW PINE, ID, *August 29, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SIR: When I attended the National Forest planning hearing in Emmett, Idaho on August 22, it was clear to me almost immediately what your priorities and those of your colleagues—Congressman Craig and later, Senator Symms—were: more timber sales in the National Forests to promote and support the Idaho timber industry.

I had the naive idea that the hearing was conducted to get the opinions of a comprehensive group of citizens of Idaho as to how the National Forests in Idaho should be utilized. That you were far more interested in projecting your own bias was evident when you attacked Governor Evans by means of the questions you asked Janice Jensen, the Governor's representative.

If I had been asked to speak I would have strongly supported the Governor's position so well presented and explained by Ms. Jensen (in spite of your rather rude harassment).

Tourism, recreation and outfitting and guiding are Idaho's growth industries. We must maintain the resources that support these increasingly important parts of our economy. The problems with Idaho's timber industry stem from a lack of demand not a lack of supply.

There are many recreation dependent communities in Idaho. Yellow Pine is one of them. There are outfitters and guides who will lose their jobs if timber harvests are increased. As Governor Evans insists and, incidentally, the planners for the Cascade National Forest, the Forest Service budgets must be balanced, equal weight given to all the many uses of our great Idaho forests.

Sincerely yours,

DON MILLEN.

LETTER FROM TOM MAYSON, IDAHO OUTDOOR EQUIPMENT CO.

Senator JAMES McCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR McCLURE: I am writing to you to voice my opinion for additional wilderness acreage in Idaho. I feel our natural resources can best serve the people in Idaho if we restore our steelhead and salmon, protect our wildlife, and promote tourism.

We should not subsidize timber interest in Idaho. The argument of jobs is not valid for the treasury of the U.S. Government nor is it in the interest of the forest. Multiple use does not mean logging, road building, and subsidized jobs for the U.S. taxpayer.

I believe Idaho's long term future would best be served if we preserve the remaining wild lands for game and fisheries. Tourism is environmentally less destructive, economically more sensible, and will bring more money to the people of Idaho than mining or logging.

Are you for additional logging in the S. Fork of the Salmon? Are you for government policies against the interests of the people of Idaho? I can only hope not.

Sincerely.

TOM MAYSON.

LETTER FROM JUDE HAWKES

AUGUST 28, 1986.

DEAR SENATOR McCLURE: Even though I was not invited to attend your most recent hearings on the forest planning process in Idaho, I have some important information which should be reflected in your subcommittee's recommendations.

My way of life and my livelihood depends upon the growing industries of tourism and recreation in our state. Idaho attracts over four million visitors per year who spend over a billion dollars in our state. According to the Idaho Travel Council these tourists generate more income for our State than the timber and mining industries combined. In order for my business to prosper, our national forests must be protected. Visitors are attracted by our scenic beauty not clearcuts, silted streams, and roads slashed across the wilderness.

It is a well known fact that the amount of timber in Idaho's national forests that has been sold but uncut due to lack of demand exceeds 2.1 billion board feet. Allowable timber sales in Idaho's forests must not be increased as that industry is demanding, but the saleable quantities must reflect actual market conditions and demands.

In my opinion, the Forest Service should be doing cumulative impact studies of forest plan effects on recreation, outfitting and guiding, salmon and steelhead restoration and other issues important to the future of Idaho—issues much more important than timber sales. There is a gross imbalance in Forest Service budgets. No longer is multiple use applied. Rather timber and roadbuilding funding has increased while recreation, fish and wildlife trails and other valuable considerations have been cut—equal consideration for all the forest's resources should be given.

I am fed up that an average subsidy of over $16 million for Idaho below-cost timber sales is allowed. It doesn't make sense. It isn't fair. It's jeopardizing my business and even more importantly threatens to ruin the quality of life we value here in Idaho the forest service must restore its integrity. The timber industry has a bitter pill to swallow, but needs to face reality. Senator McClure, you are not representing the best interest of the majority of Idahoans, and I'm sure this will come back at you at the polls in November.

Sincerely,

JUDE HAWKES.

LETTER FROM MICHAEL O'BOWEN

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: I have the advantage of writing a letter for your subcommittee hearing after attending the meeting in Emmett, Idaho, on Aug. 22. I would like to submit the following points for consideration by your committee.

The long term employment and funding of community services should be considered in the planning process. Making the communities dependent on over logging the forest as a short term solution to basic problems is a very short sighted solution. The logging companies that appeared in Emmett, by their own admission were willing to log their own land at 145% of growth capacity, will solve their business problems based on making profit now versus long term community stability. The small amount of funding, 3-5% of the total school budget, that comes from Forest Service Funding could easily be made up in a tourist tax. This would be a long term solution. Tourism is a renewable resource as long as the attraction is beautiful. Over logged forests are not.

Congressman Craig's hypothesis that logging roads are a tourist benefit is in error in my opinion and should be investigated before the irreversible damage of putting in a road is done. People come to see beautiful countryside, not drive on logging roads in clear cut forests.

Increased logging above traditional levels will impact the natural beauty that people come to the forests to see. People come to Idaho to see nature. They go to other places to see something man made. The future of the employment in regions will have to be different if the population is to stay the same. More effort and Federal funding should be applied to help the people instead of creating artificial profits for the logging industry in the form of below cost timber sales. This total is $16 million dollars on the average in Idaho.

In summary most of the testimony was in response to short term problems solved by short sighted thinking. Many of the witnesses were hand picked by Senator McClure to give a specific testimony. More thought with real experts on long term solution to local community problems should be brought in to testify.

An example, a school administrator who can only deal with school budgets and administering the learning process can not give new alternatives to raise funds for schools. He isn't an expert on how to attract business, or provide jobs in service industries. Such as tourism. He can only react with a short term response. More logging to offset his local funding problems because he automatically gets funding for the Forest Service.

Sincerely,

MICHAEL O'BOWEN.

LETTER FROM STEPHEN, CAROL, URSULA, AND ANNIE HACKNEY

AUGUST 26, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

I attended your so-called Congressional Hearing, I think you should pay back the tax money used on this partisan political campaigning trip.

As a hearing it was a farce. Using your methods one could prove any proposition that could be imagined. It seems to be a common tactic of Conservatives, unable to master logic or scientific method. It's also typical of the people who campaigned on the slogan of reducing Federal spending. Government waste is OK if its in their own state. The proposition that loses of Federal money will hurt the local economy is true of everywhere in the world. If people on the Potomac shouldn't have any say in the use of the resources they own along the Salmon and Clearwater then maybe they shouldn't have to pay for subsidizing the destruction of those resources.

The minimum Forest Plan should: Stop all below cost timber sales and stop all road building in areas without cost efficient timber sales.

Stop all clearcuts. There is no forest in Idaho that can benefit from clearcutting. Stop all roads and logging in areas which will be irreversably injured by these activities.

Stop all recreational dredge mining in streams and rivers.

Stop putting foresters and engineers in charge of the forests. Only Biologists or someone else trained to conserve a public trust should be in control of the nations family jewels.

Stop cutting all the old growth. At least 50% of each square mile of the forest should always be old than 200 years.

Stop the practice of hiding timber and road costs in other categories. Develop an accounting system which assesses the true cost of timber harvesting and roads.

Stop using herbicides, pesticides and other poisons on public land. Logging levels should not exceed the current cut average.

Stop using payments in lieu of property taxes as black mail for support of logging programs. The payment should be fixed rate per acre reflecting the multiple use character of the forests.

Yours for Freedom from Hypercrits,

STEPHEN, CAROL, URSULA, and ANNIE HACKNEY.

LETTER FROM RUTH C. GHOKAL, EDRU INNOVATORS

AUGUST 27, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Senate Building, Washington, DC.

DEAR SENATOR MCCLURE: Regarding your hearings on the forest planning process and timber dependent communities.

I believe there are other communities, other people's pocket books, and other benefits to the state of Idaho that merit consideration beside the timber interests.

Recreation and tourism, hunting and fishing bring millions of dollars into Idaho all of which has a "ripple effect" encourage it!

Idaho still has some clean stream waters and lakes, some good air. How sad to threaten such precious resources building unnecessary roads and harvesting unneeded timber! It wastes money while ruining great scenic beauty.

Forest resources other than timber must be given equal consideration.

Respectfully,

RUTH C. GHOKAL.

LETTER FROM MARGO, DENNIS, AND JESSICA PROKSA

AUGUST 27, 1986.

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: We would like to express our opinions regarding the effects of current national forest planning efforts on the timber dependent communities and the economy of Idaho. We are tax paying citizens of this geographically wondrous State and we want to participate in an effort to balance the discussions at the hearings in Idaho to which we were not invited.

We take our families, friends and business clients hiking, backpacking, fishing, whitewater boating, and cross country and downhill sking—and they have a wonderful time here! When we have visitors we all spend a lot of money traveling about the State to see the spectacular sights and experience the real wilderness. Tourism, recreation and outfitting and guiding are the growth industries here and they contribute more to the economy than timber and mining industries combined!

The timber industry is greedy. They want more timber than ever before made available from Idaho's National Forests—even though the demand for wood products in the marketplace has never matched their expectation! It is far more reasonable to offer them quantities of Idahos forest which reflect actual market conditions and demand. Why should forest resources be sacrificed to gross mismanagement practices? How will that help timber dependent communities and Idaho economy?

Also, if the Forest Service would add to their study the effect of these larger-than-ever timber harvests on recreation, outfitting & guiding Salmon & Steelhead restoration their study would be fair studying not the effects on the timber dependent communities will assure us their recommendation will be to increase harvests.

Equal consideration must be given to multiple use of the forests. Forest Service budgets don't reflect a balance based on this principle. Timber & roadbuilding budgets are increased; while (not mysteriously) recreation, fish & wildlife are cut!

It is our opinion forests have more value when left alone. Timber harvests are subsidized and if harvested more heavily—will be subsidized more heavily!

Please acknowledge the importance of a sensitive approach to forest management. Our economy is based on many different aspects which utilize resources like forests. Idaho is famous for its beauty. Let's see some common sense and foresight in planning our future.

Building up the economy does not have to depend on spoiling Idaho's rare beauty. Rather than becoming notorious for exploiting and ruining what is special about our State, let's try to flaunt proudly what few other States have. The intelligent acknowledgement of an environment that deserves special treatment will really please visitors as well as the residents of our State.

Thank you for including our comments in the hearing record.

Sincerely,

MARGO, DENNIS, and JESSICA PROKSA.

LETTER FROM MR. AND MRS. JAMES H. BLAES

IDAHO FALLS, ID, *August 25, 1986.*

DEAR SENATOR MCCLURE: This letter is "For the Hearing Record—For the forest planning hearings held August 21-22 1986 in Coeur d'Alene, Emmett and Grangeville, Idaho."

You, Senator McClure, say that our opinion counts so I'm writing this letter for our family for the hearing record.

Our family believes that timber and mining are not the only important facets of the Idaho economy. We derive much of our individual incomes from tourism and recreation in Idaho. It's our considered opinion that the importance of timber and mining is over emphasized by you and Senator Symms to the detriment of our livelihood. For example—Idaho attracts over 4 million visitors per year generating over one billion dollars for Idaho. This amount is more than timber harvest and mining combined (refer Idaho Travel Council 1983). If our income is to be maintained, Idaho natural forest resources, rivers and scenic beauty must be protected.

The real problem with Idaho's timber industry is a lack of markets not a lack of supply. Your support. Your support of Reagan's pure free trade policy is the problem. Canada is now and will for the next ten years or more under price Idaho timber if trade tariffs, quotas, agreements etc. are not established. An additional problem is the simple fact that tree plantations in the south are more efficient, grow selected trees faster, are easier to harvest are near large growing markets and are effectively managed. Idaho's timber can not now and never will compete effectively with these plantations unless the Idaho timber industry is placed on the Government dole. In spite of a current lack of demand the Idaho timber industry still proposes allowable timber sales quantities greatly in excess of demand. The past cancellation of timber contracts by the Government. An action instituted by Senator McClure, did not set well with us. A contract is a contract. Timber companies should have to live with their management's mistakes and not receive a Government handout.

As taxpayers we insist that no tax dollars be used to build forest roads for timber harvest by commercial companies. We do not, in fact we insist, that timber contracts bear all the costs for timber harvesting—no free rides through indirect Government subsidies like road building.

We have additional comments but will not belabor the fact that you and Senator Symms are more interested in the timber companies than tourism and recreation.

Why not hold some hearings on tourism, recreation and outfitting and guiding and not just during election years?

Very truly,

Mr. and Mrs. JAMES H. BLAES and family.

LETTER FROM PETER A. LIPOVAC

DEAR SENATOR MCCLURE: The word is out that Senator McClure supports the timber industry over Idaho's tourism, recreation and guide industries. Could that possibly be so? Then why were the recent forest hearings discriminatory toward the conservationist position? Or was this not so?

Please understand, I, and a lot of other Idahoans feel that Idaho timber harvests should be restricted not increased. And we intend to be heard.

Sincerely,

PETER A. LIPOVAC.

LETTER FROM HOWARD BUETTGENBACH

YELLOW PINE, ID, *August 29, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
SB 360, Washington, DC.

Dear Senator McClure and Members of the Senate Appropriations Subcommittee, I am a resident of Yellow Pine, ID, and attended the Emmett, ID hearing you chaired on the above topic. Testimony at the hearing indicated that the South Fork Salmon River [SFSR]—"Secesh Timber Sale" had little, if any, adverse impact on fish habitat. I contest that opinion and point out that the F.S. had no downstream sediment monitoring for that sale, did not provide estimates of sediment impacts to the Secesh R. anadromous fish habitats downstream from the project and did not provide/monitor cumulative sediment impacts below the sale area. An Idaho fish and game dept. SFSR Steelhead study has shown that spawning sites were located in the SFSR below the Secesh R. Another F.S.-IF&G study indicated important rearing habitats for anadromous fish in the lower SFSR. Another study (Burns & Edwards, March 1985) indicated that embeddedness in anadromous fish habitats below the Secesh T.S. were at 39 (mean embeddedness), ie. significantly high.

I addressed my concerns about the Payette N.F.'s Secesh Timber Sale to J.S. Tixier, Regional Forester Sept. 2, 1985.

Testimony at the Emmett hearing suggested that as much as 40 MMBF could be safely harvested from the South Fork Salmon River drainage. I contest that opinion and point out that the F.S. has not been able to monitor any significant improvement in SFSR anadromous fish habitats since timber harvest was renewed, in 1977-78 under the existing management plan (SFSR-ES & LMP, 1977). That plan mandated improvement!

My concerns about Payette NF and Boise N.F. management abuses to the SFSR drainage resources were documented in my letter to John J. Lavin, Supervisor BNF, Oct. 22, 1985 and numerous other letters to Boise and Payette N.F. officials. Fraudulent actions by the F.S. was carefully documented in my letter to J.S. Tixier, Sept. 2, 1985 and later in my appeal of the proposed Elk Creek Salvage Timber Sale, to Veto J. LaSalle, Supervisor PNF, May 8, 1986.

No timber harvest should be allowed on the SFSR in light of past and on-going management abuses. Timber harvest suggested in the Draft EIS and forest plan for the Payette N.F. must not be allowed. Needless to say no more increases should be considered.

Sincerely,

HOWARD BUETTGENBACH.

LETTER FROM CHARLES ROTH

MCCALL, ID, *August 29, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
SB 360, Washington, DC.

DEAR MR. MCCLURE: Timber is just one facet of Idaho's economy. Inherent value of the earth and all life forms, recreation, tourism, fishing and fisheries restoration, clean water and quality of life are equally important. I'm tired of the timber people crying, "You're putting us out of work" and therefore, getting much more recognition, money and public attention than all of the others who speak out for the environment and jobs that depend on resources.

The problems with Idaho's timber industry is clearly a lack of demand, *not* a lack of supply. The trees, plants, and soil are being destroyed even though 21 billion board feet have been sold but uncut due to lack of demand.

Equal consideration must be given to resources other than timber. Subsidized timber harvests are destroying lands that provide solitude as well as recreation and jobs for many.

Sincerely,

CHARLES ROTH.

LETTER FROM STEPHEN C. STEKETEE

COUNCIL, ID, *August 28, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
SB 360, Washington, DC.

DEAR SENATOR MCCLURE: I understood the public comment period for the National Forest 50-year Plan was over. But, sources tell me that you are holding limited hearings. Please keep the following things in mind when working on the Plan:

1. No below-cost timber sales.
2. A proper proportion of Forest Service budgets to be applied to tourism. Tourism is the third largest industry (and growing) in the state behind agriculture and manufacturing according to Idaho Wildlife magazine.
3. Please help keep our rivers clean and producing top-notch fishing.

We have an opportunity to help preserve a little green and somewhat wild land for the present and the future

Thank you,

STEPHEN C. STEKETEE.

LETTER FROM RON WALTERS

POCATELLO, ID, *August 28, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
SB 360, Washington, DC.

DEAR SENATOR MCCLURE: I am very concerned that the National Forest planning process which is now underway pay attention to recreational wildlife and wilderness values.

Although, I do support timbering in some already developed areas of Idaho, I am very opposed to the development of existing roadless areas.

I encourage you to work for the protection of Idaho's beautiful and wild lands. The future of our state depends on wise decisions made now. Please don't throw away our State's treasures for short term economic gains.

Sincerely,

RON WALTERS.

LETTER FROM MIKE MEDBERRY

MCCALL, ID, *August 28, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR MCCLURE: I am writing in regard to the August 21–22 hearings held in Coeur d'Alene, Emmett, and Grangeville, and I hope that you will hear my concerns. I write as a contractor who has "lost his . . ." in the bad housing market we have experienced recently and as a conservationist. I have been a carpenter, a bartender, freelance writer, snow shoveller, surveyor and a dozen other things in the past few years in trying to make ends meet. I am a man of dignity who has not asked for the help of the government to bail me out of difficulties. Fortunately, I do not now have to support a family.

Sir, I resent your attempt to bail out a timber industry which has overcut its own lands and now wishes to do the same to our National Forest Lands. I ask you to let the market do the cutting. Where there is demand let there be timber harvest, but only when the land is able to sustain it and the returns to the treasury are positive. There is no more reason to support unprofitable or subsidized timber harvest than there is for the government to support my former business or any restaurant or other business in McCall.

And I resent like . . . your intention to unjustifiably support the timber industry. My concern is enlarged by the fact that my future in this town will depend upon recreational use of the resources around it. The USFS has proposed an annual harvest of 78–81 million board feet on the Payette Forest. This exceeds demand at any reasonable price. Yet, the timber industry whines for more.

Senator, I do not sympathize with the requests of industry representatives like Joe Hinson, for a free lunch. Especially when they want to make it with my bread and butter.

Sincerely,

MIKE MEDBERRY.

P.S.—Please let me know how this controversy ends up. Thanks.

LETTER FROM WILLIAM S. AND MARJORIE G. HAYES

BOISE, ID, *August 28, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
SB 360, Washington, DC.

DEAR SENATOR MCCLURE: We have spent a great deal of time and effort, not only to write on National Forest Plans, but to do on the site research and study of conditions which culminated in our ultimate conclusions about the long range productivity and viability of the best alternatives to protect our natural resources and to insure their continuation, not only for this, but for future generations. We feel that your interference into the process is certainly not in the best interest of this state and reflects a strong bias toward the timber industry.

As you are aware, tourism, recreation, and outfitting and guiding are the third largest revenue producing resources in our State. Tourism alone generates over one billion dollars for our economy. To proceed on a course which diminishes the quality of the environment and places our fishing industry at risk is not, in our opinion, in the best interest of the State or for the long range planning of the timber industry. We were told by a Forest Service Supervisor on the Nez Perce Forest that over-harvesting was the principle reason for the lack of timber for the sawmills on the Nezperce. If sustained yield, where only mature timber is harvested, is practiced, there will be a timber supply for this, as well as future generation . . . and the timber industry will not be cutting themselves out of their jobs. We must get away from this boom-and-bust mentality, for we are now fast approaching the point where the resource is becoming increasingly limited, not only here but in the world as well. During the periods in your past when you were working with Senators Jordan and Church you were more moderate in your actions regarding the holistic welfare of all of your people in the State of Idaho . . .

This departure into special interest response is not characteristic of a Statesman who has the well being of all of his people as the primary motivating force for his actions.

Sincerely,

WILLIAM S. & MARJORIE G. HAYES.

LETTER FROM EVERETT HAGEN

DEARY, ID, *August 27, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee,
S.B. 360, Washington, DC.

DEAR JIM: This letter concerns the recently held hearings in Idaho on the forest planning process. I'd like to know why I wasn't invited to testify? The national forests are important to me and my family.

I'd like to know when are you going to realize there are more important resources in our woods than timber. I do not approve of below-cost timber sales. I do not approve of more logging roads, erosion, loss of fish and game and scenic beauty caused by greedy lumbermen and their political croneys. Also subsidized timber harvests not only destroy some of our tourist attractions but surely hurt us private tree farmers who are undersold on our timber. It is hard to compete with the U.S.F.S.

I urge you to support cumulative impact studies of forest plan effects on other activities on our forest lands, such as huckelberry picking, fishing, camping, hunting, salmon and steelhead restoration, outfitting and guiding, other recreation, etc. (tourism).

Very truly yours,

EVERETT HAGEN.

LETTER FROM VICTORIA A. SEEVER

MOSCOW, ID, *August 25, 1986.*

Senator JAMES MCCLURE,
Senate Appropriations Subcommittee.

I have been following the timber industry for some time now through the newspapers and other media, as well as a few contacts with people working in logging communities. Clearly, the problems with this industry arise from a lack of demand rather than any lack of supply. The amount of timber that has been sold but uncut due to this reason is over 2.1 billion board feet. For the timber industry to say they're hurting because we've locked up the forests is a smoke screen and a blatant lie. Moreover, we Idahoans are sick of below-cost timber sales which are destroying valuable lands through a travesty of subsidized timber harvests. Through them, the people of Idaho are being ripped off as the land is ripped up.

Idaho is unique and rich because of its wildlands and national/state forests. That is why tourism, recreation, and outfitting and guiding are growth industries which attract over 4 million visitors and generate over 1 billion dollars each year (which exceeds timber harvesting and mining combined). These industries are the golden egg of Idaho; to abuse the goose by preferential treatment for the timber industry is to be blind and self-destructive. And it is criminal for the government to concern itself only with studies on timber communities affected and to brush off economic losses and a growth potential for individuals and communities involved with tourism and recreation.

Finally, it is an inescapable fact that there is a severe imbalance to Forest Service budgets. A timber-first philosophy vastly dominates Idaho forest management. A true multiple use principle is not used. Strong favoritism for the timber industry is obvious in timber and roadbuilding funds increases while fish and wildlife, trails and other wildlands based budgets are critically slashed. And a concerted effort is being pressed into play for hearings and coverage to be slanted toward timber interests and attempted to squelch interests opposed to that end.

However, I am one long-time resident of many Idahoans who continue to speak out in favor of our wildlands and wildlife and against the timber and mining industries with their abusive and destructive practices.

Respectively,

VICTORIA A. SEEVER.

LETTER FROM GAIL MEILIMAKI

BOISE, ID.

SENATOR JAMES MCCLURE: I am concerned about your attitude of timber first and recreation last in the current national forest planning efforts.

People deciding to live or vacation in Idaho do so because of the scenic beauty, access to camping, fishing and hunting, and the wilderness areas still left in this State. They certainly don't come to see clearcut forest or to fish in silted streams.

Since there is already a lack of demand for timber and we subsidize the timber industry for over $16 million in Idaho, I see no reason to increase the allowable timber sales.

MRS. GAIL MEILIMAKI.

LETTER FROM DAVE MATHEWS

GRANGEVILLE, ID.

To: Hon. JAMES MCCLURE,
U.S. Senate.

DEAR SENATOR MCCLURE: One week ago today, I attended the Grangeville hearing. From it I gained information from the timber industry perspective despite their agreeing to your rhetorical questions about needing a backlog and cutthroat bidding, I am still convinced the 100 mbf level in the Nez Perce plan is adequate for:

One, the timber industry to turn a profit;
Two, funding School dist. 241 thru the Forest Reserve account;
Three, a stable, more varied economy in Grangeville.

My understanding is the forest plan can be amended either administratively or by Congress, any time during the 10 year duration. If demand exceeded backlog supply, then an increased cut could be implemented. The 100 mbf level was a compromise, and should be allowed to take effect now.

As one opinion, count mine as supporting the 100 mbf alternative. Let's give it and the planning process a try; together they may very well work.

Sincerely,

DAVE MATHEWS.

LETTER FROM GRETCHEN BIGGS

AUGUST 1986.

DEAR SENATOR MCCLURE: I am writing in regards to the question of what will be done with Idaho's National Forests. I am in favor of designating more acreage as wilderness. I feel it is your duty to encourage multiple use of our National Forests. Logging and mining these areas is prohibitive of any other activities occurring there. We should not subsidize unprofitable timber harvesting to the detriment of recreational activities in Idaho's forests. These lands are most valuable and serve our economy best by being used for hunting, fishing and tourism. Timber is a less important facet of our economy and produces less revenue than do the combined recreational activities.

Thank you for considering my opinion and acting on these suggestions.

Sincerely,

GRETCHEN BIGGS.

LETTER FROM PRISCILLA MOHLER

To: Senator JAMES MCCLURE.

DEAR MR. MCCLURE: As an Idaho citizen, voter and taxpayer, I support the protection of it's national forest resources and the growth of tourism, recreation and outfitting and guiding. Idaho attracts over four million visitors per year, generating over one billion dollars. This is more than timber harvest and mining combined.

I want to see responsible Idahoans in Washington, who will see that allowable timber sale quantities on all Idaho forests are not increased. The timber industry must adhere to market demand, and for once become accountable and viable as an industry.

All resources of the great forests of this state should be given equal consideration and funding from the Forest Service.

I want to preserve our unique quality of life here in Idaho, not stand by and watch its demise. I hope you share the widespread concern in this state for the environment. I would like to see that concern reflected by your actions in Washington.

Sincerely,

PRISCILLA MOHLER.

LETTER FROM LINDA OSBURN

LEWISTON, ID, *August 26, 1986.*

DEAR SENATOR MCCLURE: Please help the timber industry obtain the necessary timber for our jobs in Idaho. This is a major source of jobs for Idaho people. We need more national forest sales.

My husband is employed at the Lewiston pulp and paper mill, also two brothers in law in the Lewiston Saw Mill. Our timber industry needs all the help we can from Federal timber sales.

Sincerely,

LINDA OSBURN.

LETTER FROM MELVIN R. GRIBBLE

GRANGEVILLE, ID.

Hon. JAMES MCCLURE,
U.S. Senator, Senate Office Building,
Washington, DC.

DEAR SIR: I do not believe it is advisable at the present time to increase the allowable timber sale quantity; smaller sales would generate competition among smaller operators thereby creating more jobs and returning more money per thousand for tax revenues—school and county road funds.

Deficit sales are costing too much money and in most cases are not necessary.

Too much money is being spent on hard roads.

Thank you,

MELVIN R. GRIBBLE.

LETTER FROM DAWN L. LEONARD

OROFINO, ID, *August 21, 1986.*

Senator JAMES A. MCCLURE,
Senate Appropriations Subcommittee,
Washington, DC.

DEAR SENATOR JAMES A. MCCLURE: As a concerned citizen of Clearwater County and a wife and mother of a timber industry town, I am writing to you with my thoughts, facts and realities which are taking place.

Of the 1,614,000 acres in Clearwater County 920,000 are federally owned and 194,000 State owned, having approximately 500,000 that's taxable including Potlatch lands. From the forest fund over the last couple of years, our schools have had a drastic reduction in funding from $262,210 in 83-84, down to $117,585 for 85-86. Because of these reductions our schools have suffered and we have had two override levies over the last two years. If the Forest Service is going to cut down on the allowable cut any more over the next ten years, what is this going to do to our children's education, the future of Idaho?

In our community alone of 10,373 the county and city employees have taken cuts in wages, the timber related fields have suffered and local businesses have been doing poorly, we can't take much more of these cuts. My husband and myself want to be able to raise our children in this logging community and to hopefully live here for years to come. Please, help us to make this dream a reality.

Sincerely,

DAWN L. LEONARD.

LETTER FROM GINGER TINTON

OROFINO, ID.

SENATOR JAMES MCCLURE: My name is Ginger Tinton and I am a member of Clearwater Chapter of Idaho Women in Timber.

By being involved with the timber industry I've seen what effect our logging has to our community. In the last two years we have had two overrides in reduction in our schools, which has been passed on to the taxpayers. In the years 1983 and 1984 our schools received $262,210. This year 85 and 86 it was down $117,585. If this keeps going down our schools can not keep running. There has also been a drop in students due to parents leaving because of lack of jobs.

The proposed 100 MBF in the Forest Plan is not enough to keep our mills going, which would result in more cutbacks and more unemployment.

Our schools, stores and hospital can not keep running because of unemployment. We need logging and our mills to keep our community alive.

Thank you,

GINGER TINTON.

LETTERS FROM THE WHITEPINE SCHOOL DISTRICT NO. 284

TROY, ID *August 26, 1986.*

Senator JAMES A. MCCLURE,
Senate Appropriations Subcommittee,
Boise, ID.

DEAR SENATOR MCCLURE: Please be advised that we speak for the patrons of the Whitepine School District when we state that we are against the reduction in timber sales on National Forest Land. Our community depends almost entirely on the economics of the timber industry and therefore, the reduction would have a major effect on the schools and unemployment in oui community.

Please put us on record as being against the reduction of USFS harvests.

Thank you.

Sincerely,

JACK NELSON, *Chairman.*
ROY LAWSON, *Vice Chairman.*
JUDY KIMBERLING.
ALIDA BOCKINO.
JIM FREDENBURG.

TROY, ID, *August 26, 1986.*

Senator JAMES A. MCCLURE,
Senate Appropriations Subcommittee,
Boise, ID.

DEAR SENATOR MCCLURE: I would like to go on record as being against the reduction of timber sales on National Forest Land. As Superintendent and a long standing member of this community, I feel I know what would happen to our town and schools if this reduction is carried through. The unemployment alone would damage this community beyond repair. I sincerely hope that when you make your decision on the reduction of USFS harvests, you take into consideration the human factor involved.

Thank you.

Sincerely,

ROGER SWANSON, *Superintendent.*

CONCLUSION OF HEARINGS

Senator MCCLURE. Thank you very much for your participation. This meeting will conclude the hearings in Idaho and the meeting is recessed.

[Whereupon, at 7:05 p.m., Friday, August 22, the hearings were concluded, and the subcommittee was recessed, subject to the call of the Chair.]

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